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AZ CORP COMMISSION
DOCKET CONTROL

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

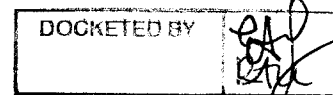
COMMISSIONERS

SUSAN BITTER SMITH, CHAIRMAN
BOB STUMP
BOB BURNS
TOM FORESE
DOUG LITTLE

Arizona Corporation Commission

DOCKETED

MAR 06 2015



IN THE MATTER OF THE APPLICATION
OF UTILITY SOURCE, LLC, AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANTS AND
PROPERTY AND FOR INCREASES IN
ITS WATER AND WASTEWATER RATES
AND CHARGES FOR UTILITY SERVICE
BASED THEREON.

DOCKET NO: WS-04235A-13-0331

**NOTICE OF FILING FINAL
SCHEDULES**

Utility Source, L.L.C. ("Company"), hereby files its final schedules. The water
system schedules are set forth in Attachment 1 and the wastewater schedules are set forth
in Attachment 2.

Respectfully Submitted on March 6, 2015.

Steve Wene

1
2 Original and thirteen (13) copies
3 of the foregoing filed this
4 6th day of March, 2015 with:

5 Arizona Corporation Commission
6 1200 West Washington Street
7 Phoenix, Arizona 85007

8 Copies of the foregoing mailed
9 this 6th day of March, 2015 to:

10 Wesley Van Cleve
11 Legal Division
12 Arizona Corporation Commission
13 1200 West Washington Street
14 Phoenix, Arizona 85007

15 Daniel W. Pozefsky
16 Chief Counsel
17 Residential Utility Consumer Office
18 1110 West Washington Street
19 Suite 220
20 Phoenix, Arizona 85007

21 Erik Nielsen
22 4680 N. Alpine Drive
23 P.O. Box 16020
24 Bellemont, Arizona 86015

25 Terry Fallon
26 4561 Bellemont Springs Drive
27 Bellemont, Arizona 86015

28
Donnelly, Herbert

ATTACHMENT 1

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Final Schedule A-1
Page 1
Witness: Bourassa

Line

<u>No.</u>			
1	Fair Value Rate Base	\$	1,499,779
2			
3	Adjusted Operating Income		243
4			
5	Current Rate of Return		0.02%
6			
7	Required Operating Income	\$	164,976
8			
9	Required Rate of Return		11.00%
10			
11	Operating Income Deficiency	\$	164,732
12			
13	Gross Revenue Conversion Factor		1.2586
14			
15	Increase in Gross Revenue		
16	Requirement	\$	207,335
17			
18	Adjusted Test Year Revenues	\$	206,184
19	Increase in Gross Revenue Revenue Requirement	\$	207,335
20	Proposed Revenue Requirement	\$	413,519
21	% Increase		100.56%

<u>Customer</u>		<u>Present</u>	<u>Proposed</u>	<u>Dollar</u>	<u>Percent</u>
<u>Classification</u>		<u>Rates</u>	<u>Rates</u>	<u>Increase</u>	<u>Increase</u>
25	3/4 Inch Residential	\$ 159,301	\$ 310,716	\$ 151,415	95.05%
26	3/4 Inch Commercial	322	781	459	142.79%
27	2 Inch Commercial	38,120	86,572	48,453	127.11%
28	2 Inch Irrigation	1,776	3,765	1,989	112.00%
29					
30	Bulk/Construction	3,482	7,102	3,619	103.93%
31					
32	Revenue Annualization	328	597	270	82.31%
33	Subtotal	\$ 203,328	\$ 409,533	\$ 206,205	101.41%
34					
35	Other Water Revenues	3,441	3,441	-	0.00%
36	Reconciling Amount	(585)	545	1,130	-193.16%
37	Rounding				0.00%
38	Total of Water Revenues	\$ 206,184	\$ 413,519	\$ 207,335	100.56%

SUPPORTING SCHEDULES:

42 B-1
43 C-1
44 C-3
45 H-1

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Summary of Rate Base

Exhibit
Final Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	Fair Value Rate Base
1			
2	Gross Utility Plant in Service	\$ 2,404,640	\$ 2,404,640
3	Less: Accumulated Depreciation	701,168	701,168
4			
5	Net Utility Plant in Service	\$ 1,703,472	\$ 1,703,472
6			
7	<u>Less:</u>		
8	Advances in Aid of Construction	-	-
9			
10	Contributions in Aid of Construction	294,745	294,745
11			
12	Accumulated Amortization of CIAC	(96,938)	(96,938)
13			
14	Customer Meter Deposits	5,885	5,885
15	Deferred Income Taxes & Credits	-	-
16			
17			
18			
19	<u>Plus:</u>		
20	Unamortized Finance		
21	Charges	-	-
22	Prepayments	-	-
23	Materials and Supplies	-	-
24	Allowance for Working Capital	-	-
25			
26			
27			
28	Total Rate Base	\$ 1,499,779	\$ 1,499,779
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
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41			
42			
43	<u>SUPPORTING SCHEDULES:</u>		
44	B-2		
45	B-3		
46	B-5		
47	E-1		
48			
49			
50			
51			
52			

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments

Exhibit
Final Schedule B-2
Page 1
Witness: Bourassa

Line No.		Adjusted at end of Test Year	Proforma Adjustment	Rejoinder Adjusted at end of Test Year
1	Gross Utility			
2	Plant in Service	\$ 2,496,640	(92,000)	\$ 2,404,640
3				
4	Less:			
5	Accumulated			
6	Depreciation	726,406	(25,237)	701,168
7				
8				
9	Net Utility Plant			
10	in Service	\$ 1,770,234		\$ 1,703,472
11				
12	Less:			
13	Advances in Aid of			
14	Construction	-	-	-
15				
16	Contributions in Aid of			
17	Construction - Gross	294,745	-	294,745
18				
19	Accumulated Amortization of CIAC	(96,938)	-	(96,938)
20				
21	Customer Meter Deposits	5,885	0	5,885
22	Accumulated Deferred Income Tax	-	-	-
23				-
24				-
25				
26	Plus:			
27	Unamortized Finance			
28	Charges	-	-	-
29	Prepayments	-	-	-
30	Materials and Supplies	-	-	-
31	Working capital	-	-	-
32				
33				
34	Total	<u>\$ 1,566,542</u>		<u>\$ 1,499,779</u>
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45	<u>SUPPORTING SCHEDULES:</u>		<u>RECAP SCHEDULES:</u>	
46	B-2, pages 2		B-1	
47	E-1			
48				
49				
50				

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments

Exhibit
Final Schedule B-2
Page 2
Witness: Bourassa

Line No.		Adjusted at end of Test Year	1 Plant-in- Service	Proforma Adjustments			4 Customer Security Deposits	5 Intentionally Left Blank	Rejoinder Adjusted at end of Test Year
				2 Accumulated Depreciation	3 CIAC				
1	Gross Utility								
2	Plant in Service	\$ 2,496,640	(92,000)						\$ 2,404,640
3									
4	Less:								
5	Accumulated								
6	Depreciation	726,406		(25,237)					701,168
7									
8									
9	Net Utility Plant								
10	in Service	\$ 1,770,234	\$ (92,000)	\$ 25,237	\$ -	\$ -	\$ -	\$ -	\$ 1,703,472
11									
12	Less:								
13	Advances in Aid of								
14	Construction	-							-
15									
16	Contributions in Aid of								
17	Construction (CIAC)	294,745							294,745
18									
19	Accumulated Amort of CIAC	(96,938)							(96,938)
20									
21	Customer Meter Deposits	5,885							5,885
22	Accumulated Deferred Income Taxes	-							-
23									
24									
25	Plus:								
26	Unamortized Finance								
27	Charges	-							-
28	Prepayments	-							-
29	Materials and Supplies	-							-
30	Allowance for Cash Working Capital	-							-
31									
32	Total	\$ 1,566,542	\$ (92,000)	\$ 25,237	\$ -	\$ -	\$ -	\$ -	\$ 1,499,779

SUPPORTING SCHEDULES:

B-2, pages 3-5

E-1

RECAP SCHEDULES:

B-1

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1 - A

Exhibit
Final Schedule B-2
Page 3.1
Witness: Bourassa

Line
No.

1 Remove Costs of Shallow Wells from PIS

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Acct.		Cost of Three	Cost		Original
No.	Description	Shallow Wells	Per Well	No. of Wells	Cost
307	Wells and Springs	\$ 138,000	\$ 46,000	2	\$ 92,000

Adjustment to Remove Cost of 2 Shallow Wells \$ (92,000)

SUPPORTING SCHEDULE

Per Staff Recommendation

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1 - B

Exhibit
Final Schedule B-2
Page 3.2
Witness: Bourassa

Line

No.

Reconciliation to Reconstructed Plant-in-Service

Acct.		Recorded	Removed	Removed	Adjusted	Plant		
No.	Description	Original	Deep Well #4	Shallow Wells	Original	Per	Reconstruction	Difference
		Cost	Costs	Costs	Cost			
301	Organization Cost	-	-	-	-	-	-	-
302	Franchise Cost	-	-	-	-	-	-	-
303	Land and Land Rights	210,000	-	-	210,000	210,000	-	-
304	Structures and Improvements	81,748	(8,751)	-	72,997	72,997	-	-
305	Collecting and Impounding Res.	-	-	-	-	-	-	-
306	Lake River and Other Intakes	-	-	-	-	-	-	-
307	Wells and Springs	2,831,962	(1,478,423)	(92,000)	1,261,539	1,261,539	-	-
308	Infiltration Galleries and Tunnels	-	-	-	-	-	-	-
309	Supply Mains	-	-	-	-	-	-	-
310	Power Generation Equipment	89,125	(1,725)	-	87,400	87,400	-	-
311	Electric Pumping Equipment	158,711	-	-	158,711	158,711	-	-
320	Water Treatment Equipment	5,487	-	-	5,487	5,487	-	-
320.1	Water Treatment Plant	-	-	-	-	-	-	-
320.2	Chemical Solution Feeders	-	-	-	-	-	-	-
330	Dist. Reservoirs & Standpipe	321,452	-	-	321,452	321,452	-	-
330.1	Storage Tanks	-	-	-	-	-	-	-
330.2	Pressure Tanks	-	-	-	-	-	-	-
331	Trans. and Dist. Mains	161,632	-	-	161,632	161,632	-	-
333	Services	86,250	-	-	86,250	86,250	-	-
334	Meters	-	-	-	-	-	-	-
335	Hydrants	34,500	-	-	34,500	34,500	-	-
336	Backflow Prevention Devices	-	-	-	-	-	-	-
339	Other Plant and Misc. Equip.	-	-	-	-	-	-	-
340	Office Furniture and Fixtures	4,672	-	-	4,672	4,672	-	-
340.1	Computers and Software	-	-	-	-	-	-	-
341	Transportation Equipment	-	-	-	-	-	-	-
342	Stores Equipment	-	-	-	-	-	-	-
343	Tools and Work Equipment	-	-	-	-	-	-	-
344	Laboratory Equipment	-	-	-	-	-	-	-
345	Power Operated Equipment	-	-	-	-	-	-	-
346	Communications Equipment	-	-	-	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-	-	-	-
348	Other Tangible Plant	-	-	-	-	-	-	-
	Plant Held for Future Use	-	-	-	-	-	-	-
	TOTALS	\$ 3,985,539	\$ (1,488,899)	\$ (92,000)	\$ 2,404,640	\$ 2,404,640	\$ -	\$ -

SUPPORTING SCHEDULE

B-2, pages 3.3 - 3.9

NARUC Account			Allowed Deprec. Rate	Per Decision 70140		2006								
Line No.	Account No.	Description		Plant at 12/31/2005	Accum. Deprec. At 12/31/2005	Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	210,000	-	-	-	-	-	-	-	-	210,000	-
4	304	Structures & Improvements	3.33%	72,997	3,646	-	-	-	-	-	-	2,431	72,997	6,077
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	2,071,821	103,487	-	-	-	-	-	-	68,992	2,071,821	172,479
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	87,400	6,555	-	-	-	-	-	-	4,370	87,400	10,925
11	311	Pumping Equipment	12.50%	158,711	29,758	-	-	-	-	-	-	19,839	158,711	49,597
12	320	Water Treatment Equipment	3.33%	5,487	274	-	-	-	-	-	-	183	5,487	457
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	321,452	10,704	-	-	-	-	-	-	7,136	321,452	17,841
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	147,200	4,416	-	-	-	-	-	-	2,944	147,200	7,360
19	333	Services	3.33%	86,250	4,308	-	-	-	-	-	-	2,872	86,250	7,180
20	334	Meters	8.33%	-	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	2.00%	34,500	1,035	-	-	-	-	-	-	690	34,500	1,725
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc. Equipment	6.67%	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-	-
34		Plant Held for Future Use		-	-	-	-	-	-	-	-	-	-	-
35														
36		TOTALS		3,195,818	164,185	-	-	-	-	-	-	109,456	3,195,818	273,641

				2007								
Line	NARUC Account		Allowed Deprec.	Plant Additions	Plant	Adjusted Plant	Plant Retirements	Adjusted Plant	Salvage	Depreciation	Plant	Accum.
No.	No.	Description	Rate	(Per Books)	Adjustments	Additions	(Per Books)	Retirements	A/D Only	(Calculated)	Balance	Deprec.
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	210,000	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	2,431	72,997	-	8,508
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	68,992	2,071,821	-	241,471
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	4,370	87,400	-	15,295
11	311	Pumping Equipment	12.50%	-	-	-	-	-	19,839	158,711	-	69,436
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	183	5,487	-	640
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	7,136	321,452	-	24,977
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	2,944	147,200	-	10,304
19	333	Services	3.33%	-	-	-	-	-	2,672	86,250	-	10,062
20	334	Meters	8.33%	-	-	-	-	-	-	-	-	-
21	335	Hydrants	2.00%	-	-	-	-	-	690	34,500	-	2,415
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	-	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-
34		Plant Held for Future Use		-	-	-	-	-	-	-	-	-
35												
36		TOTALS		-	-	-	-	-	-	109,456	3,195,818	383,097

				2008									
Line	NARUC Account		Allowed Deprec.	Plant Additions	Plant	Adjusted Plant	Plant Retirements	Adjusted Plant	Salvage	Depreciation	Plant	Accum.	
No.	No.	Description	Rate	(Per Books)	Adjustments	Additions	(Per Books)	Retirements	A/D Only	(Calculated)	Balance	Deprec.	
1	301	Organization Cost	0.00%	-		-		-	-	-	-	-	
2	302	Franchise Cost	0.00%	-		-		-	-	-	-	-	
3	303	Land and Land Rights	0.00%	-		-		-	-	-	210,000	-	
4	304	Structures & Improvements	3.33%	6,251		6,251		-	-	2,535	79,248	11,043	
5	305	Collecting & Impounding Reservoirs	2.50%	-		-		-	-	-	-	-	
6	306	Lake, River, Canal Intakes	2.50%	-		-		-	-	-	-	-	
7	307	Wells & Springs	3.33%	-		-		-	-	68,992	2,071,821	310,462	
8	308	Infiltration Galleries	6.67%	-		-		-	-	-	-	-	
9	309	Raw Water Supply Mains	2.00%	-		-		-	-	-	-	-	
10	310	Power Generation Equipment	5.00%	1,725		1,725		-	-	4,413	89,125	19,708	
11	311	Pumping Equipment	12.50%	-		-		-	-	19,839	158,711	89,275	
12	320	Water Treatment Equipment	3.33%	-		-		-	-	183	5,487	822	
13	320.1	Water Treatment Plants	3.33%	-		-		-	-	-	-	-	
14	320.2	Solution Chemical Feeders	20.00%	-		-		-	-	-	-	-	
15	330	Distribution Reservoirs & Standpipes	2.22%	-		-		-	-	7,136	321,452	32,113	
16	330.1	Storage Tanks	2.22%	-		-		-	-	-	-	-	
17	330.2	Pressure Tanks	5.00%	-		-		-	-	-	-	-	
18	331	Transmission & Distribution Mains	2.00%	-		-		-	-	2,944	147,200	13,248	
19	333	Services	3.33%	-		-		-	-	2,872	86,250	12,925	
20	334	Meters	8.33%	-		-		-	-	-	-	-	
21	335	Hydrants	2.00%	-		-		-	-	690	34,500	3,105	
22	336	Backflow Prevention Devices	6.67%	-		-		-	-	-	-	-	
23	339	Other Plant & Misc Equipment	6.67%	-		-		-	-	-	-	-	
24	340	Office Furniture & Equipment	6.67%	2,552		2,552		-	-	85	2,552	85	
25	340.1	Computers & Software	20.00%	-		-		-	-	-	-	-	
26	341	Transportation Equipment	20.00%	-		-		-	-	-	-	-	
27	342	Stores Equipment	4.00%	-		-		-	-	-	-	-	
28	343	Tools, Shop & Garage Equipment	5.00%	-		-		-	-	-	-	-	
29	344	Laboratory Equipment	10.00%	-		-		-	-	-	-	-	
30	345	Power Operated Equipment	5.00%	-		-		-	-	-	-	-	
31	346	Communication Equipment	10.00%	-		-		-	-	-	-	-	
32	347	Miscellaneous Equipment	10.00%	-		-		-	-	-	-	-	
33	348	Other Tangible Plant	10.00%	-		-		-	-	-	-	-	
34		Plant Held for Future Use		-		-		-	-	-	-	-	
35													
36	TOTALS			10,528	-	10,528	-	-	-	109,689	3,206,346	492,786	

				2009									
Line	NARUC Account		Allowed Deprec.	Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
No.	No.	Description	Rate	(Per Books)			(Per Books)						
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	210,000	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	2,639	79,248	13,682	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	753,141	-	753,141	-	-	-	81,531	2,824,962	391,994	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	4,456	89,125	24,164	-
11	311	Pumping Equipment	12.50%	-	-	-	-	-	-	19,839	158,711	109,114	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	183	5,487	1,005	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	7,136	321,452	39,249	-
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	-	2,944	147,200	16,192	-
19	333	Services	3.33%	-	-	-	-	-	-	2,872	86,250	15,797	-
20	334	Meters	8.33%	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	2.00%	-	-	-	-	-	-	680	34,500	3,795	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	170	2,552	255	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-
34		Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-	-
35													
36		TOTALS		753,141	-	753,141	-	-	-	-	122,461	3,959,487	615,247

Utility Source, LLC - Water Division
Plant Additions and Retirements

Exhibit
Final Schedule B-2
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Witness: Bourassa

Line No.	NARUC Account		Allowed Deprec. Rate	2010									
	No.	Description		Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	210,000	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	-	2,639	79,248	-	16,321
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	-	94,071	2,824,962	486,065	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	4,456	89,125	28,621	-
11	311	Pumping Equipment	12.50%	-	-	-	-	-	-	19,839	158,711	128,953	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	183	5,487	1,188	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	7,136	321,452	46,386	-
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	-	2,944	147,200	19,136	-
19	333	Services	3.33%	-	-	-	-	-	-	2,872	86,250	18,869	-
20	334	Meters	8.33%	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	2.00%	-	-	-	-	-	-	690	34,500	4,485	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	170	2,552	426	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-
34		Plant Held for Future Use		-	-	-	-	-	-	-	-	-	-
35				-	-	-	-	-	-	-	-	-	-
36		TOTALS		-	-	-	-	-	-	-	135,001	3,959,487	750,248

			2011										
Line	NARUC Account		Allowed Deprec.	Plant Additions	Plant Adjustments	Adjusted Plant Additions	Plant Retirements	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
No.	No.	Description	Rate	(Per Books)		Additions	(Per Books)		Retirements				Dprec.
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	210,000	-
4	304	Structures & Improvements	3.33%	2,500	-	2,500	-	-	-	2,681	81,748	-	19,001
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	7,000	-	7,000	-	-	-	94,188	2,831,962	580,253	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	-	4,456	89,125	33,077	-
11	311	Pumping Equipment	12.50%	-	-	-	-	-	-	19,839	158,711	148,792	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	183	5,487	1,370	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	7,136	321,452	53,522	-
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	14,432	-	14,432	-	-	-	3,088	161,632	22,224	-
19	333	Services	3.33%	-	-	-	-	-	-	2,872	86,250	21,541	-
20	334	Meters	8.33%	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	2.00%	-	-	-	-	-	-	690	34,500	5,175	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	170	2,552	596	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-
34		Plant Held for Future Use	-	-	-	-	-	-	-	-	-	-	-
35													
36		TOTALS		23,932	-	23,932	-	-	-	-	135,303	3,983,419	885,551

NARUC Account			Allowed Deprec. Rate	2012										Accum. Deprec.
Line No.	Account No.	Description		Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Retirement Adjustments	Adjusted Plant Retirements	Plant Adjustments	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	
1	301	Organization Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-	-	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-	-	-	-	-	210,000	-
4	304	Structures & Improvements	3.33%	-	-	-	-	-	(8,751)	(1,062)	2,722	72,997	20,662	-
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-	-	-	-	-	-	-
7	307	Wells & Springs	3.33%	-	-	-	-	-	(1,570,423)	(308,690)	94,304	1,261,539	365,867	-
8	308	Infiltration Galleries	6.67%	-	-	-	-	-	-	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-	-	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	-	-	-	-	-	(1,725)	(388)	4,456	87,400	37,145	-
11	311	Pumping Equipment	12.50%	-	-	-	-	-	-	-	9,919	158,711	158,711	-
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-	-	-	183	5,487	1,553	-
13	320.1	Water Treatment Plants	3.33%	-	-	-	-	-	-	-	-	-	-	-
14	320.2	Solution Chemical Feeders	20.00%	-	-	-	-	-	-	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-	-	-	7,136	321,452	60,658	-
16	330.1	Storage Tanks	2.22%	-	-	-	-	-	-	-	-	-	-	-
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-	-	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	-	-	-	-	-	-	-	3,233	161,632	25,457	-
19	333	Services	3.33%	-	-	-	-	-	-	-	2,872	86,250	24,413	-
20	334	Meters	8.33%	-	-	-	-	-	-	-	-	-	-	-
21	335	Hydrants	2.00%	-	-	-	-	-	-	-	690	34,500	5,865	-
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-	-	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-	-	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	2,119	-	2,119	-	-	-	-	241	4,672	837	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-	-	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-	-
33	348	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-	-
34		Plant Held for Future Use		-	-	-	-	-	-	-	-	-	-	-
35														
36	TOTALS			2,119	-	2,119	-	-	-	(1,580,899)	(310,139)	125,757	2,404,640	701,168

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2

Exhibit
Final Schedule B-2
Page 4
Witness: Bourassa

Accumulated Depreciation

Line No.		<u>Adjustments</u>						
		A	B	C	D	E	Rejoinder	
		Adjusted	Removal of	Adjustments	Intentionally	Intentionally	Intentionally	Adjusted
		Accum.	A/D on Shallow Wells	To Reconcile Plant	Left	Left	Left	Accum.
		Depr.		To Reconstruction	Blank	Blank	Blank	Depr.
5	Acct. No. Description							
6	301 Organization Cost	-		-				-
7	302 Franchise Cost	-		-				-
8	303 Land and Land Rights	-		-				-
9	304 Structures and Improvements	20,662		-				20,662
10	305 Collecting and Impounding Res.	-		-				-
11	306 Lake River and Other Intakes	-		-				-
12	307 Wells and Springs	381,185	(15,318)	-				365,867
13	308 Infiltration Galleries and Tunnels	-		-				-
14	309 Supply Mains	-		-				-
15	310 Power Generation Equipment	37,145		-				37,145
16	311 Electric Pumping Equipment	168,630		(9,919)				158,711
17	320 Water Treatment Equipment	1,553		-				1,553
18	320.1 Water Treatment Plant	-		-				-
19	320.2 Chemical Solution Feeders	-		-				-
20	330 Dist. Reservoirs & Standpipe	60,658		-				60,658
21	330.1 Storage tanks	-		-				-
22	330.2 Pressure Tanks	-		-				-
23	331 Trans. and Dist. Mains	25,457		-				25,457
24	333 Services	24,413		-				24,413
25	334 Meters	-		-				-
26	335 Hydrants	5,865		-				5,865
27	336 Backflow Prevention Devices	-		-				-
28	339 Other Plant and Misc. Equip.	-		-				-
29	340 Office Furniture and Fixtures	837		-				837
30	340.1 Computers and Software	-		-				-
31	341 Transportation Equipment	-		-				-
32	342 Stores Equipment	-		-				-
33	343 Tools and Work Equipment	-		-				-
34	344 Laboratory Equipment	-		-				-
35	345 Power Operated Equipment	-		-				-
36	346 Communications Equipment	-		-				-
37	347 Miscellaneous Equipment	-		-				-
38	348 Other Tangible Plant	-		-				-
39		-		-				-
40	TOTALS	\$ 726,406	\$ (15,318)	\$ (9,919)	\$ -	\$ -	\$ -	\$ 701,168
41								
42	Accumulated Depreciation per Books							\$ 726,406
43								
44	Increase (decrease) in Accumulated Depreciation							\$ (25,237)
45								
46	Adjustment to Accumulated Depreciation							\$ (25,237)
47								
48	<u>SUPPORTING SCHEDULES</u>							
49	B-2, pages 4.1							
50	B-2, pages 4.2							

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2 - A

Exhibit
Final Schedule B-2
Page 4.1
Witness: Bourassa

Line

No.

1 Remove A/D on Shallow Wells

2

3

4

Acct.

5

No. Description

Cost

Depr Rate

Years

A/D

307 Wells and Springs

\$

92,000

3.33%

5.0

\$

15,318

7

8

9

10

11

12

13

\$ (15,318)

14 Adjustment to A/D

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37 SUPPORTING SCHEDULE

38

B-2, Page 3.1

39

B-2, pages 3.3 - 3.9

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2 - B

Exhibit
Final Schedule B-2
Page 4.2
Witness: Bourassa

Line

No.

Reconciliation to Reconstructed Accumulated Depreciation

		Accumulated	Removal of A/D on	Adjusted	Accumulated	
		Depreciation as Filed	Shallow Wells	Accumulated	Depreciation	
				Depreciation	Per Plant	Difference
					Reconstruction	
4	Acct.					
5	No. Description					
6	301 Organization Cost	-	-	-	-	-
7	302 Franchise Cost	-	-	-	-	-
8	303 Land and Land Rights	-	-	-	-	-
9	304 Structures and Improvements	20,662	-	20,662	20,662	-
10	305 Collecting and Impounding Res.	-	-	-	-	-
11	306 Lake River and Other Intakes	-	-	-	-	-
12	307 Wells and Springs	381,185	(15,318)	365,867	365,867	-
13	308 Infiltration Galleries and Tunnels	-	-	-	-	-
14	309 Supply Mains	-	-	-	-	-
15	310 Power Generation Equipment	37,145	-	37,145	37,145	-
16	311 Electric Pumping Equipment	168,630	-	168,630	158,711	(9,919)
17	320 Water Treatment Equipment	1,553	-	1,553	1,553	-
18	320.1 Water Treatment Plant	-	-	-	-	-
19	320.2 Chemical Solution Feeders	-	-	-	-	-
20	330 Dist. Reservoirs & Standpipe	60,658	-	60,658	60,658	-
21	330.1 Storage tanks	-	-	-	-	-
22	330.2 Pressure Tanks	-	-	-	-	-
23	331 Trans. and Dist. Mains	25,457	-	25,457	25,457	-
24	333 Services	24,413	-	24,413	24,413	-
25	334 Meters	-	-	-	-	-
26	335 Hydrants	5,865	-	5,865	5,865	-
27	336 Backflow Prevention Devices	-	-	-	-	-
28	339 Other Plant and Misc. Equip.	-	-	-	-	-
29	340 Office Furniture and Fixtures	837	-	837	837	-
30	340.1 Computers and Software	-	-	-	-	-
31	341 Transportation Equipment	-	-	-	-	-
32	342 Stores Equipment	-	-	-	-	-
33	343 Tools and Work Equipment	-	-	-	-	-
34	344 Laboratory Equipment	-	-	-	-	-
35	345 Power Operated Equipment	-	-	-	-	-
36	346 Communications Equipment	-	-	-	-	-
37	347 Miscellaneous Equipment	-	-	-	-	-
38	348 Other Tangible Plant	-	-	-	-	-
39	Plant Held for Future Use	-	-	-	-	-
40	TOTALS	\$ 726,406	\$ (15,318)	\$ 711,088	\$ 701,168	\$ (9,919)

SUPPORTING SCHEDULE

B-2, pages 4.2

B-2, pages 3.3 - 3.9

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment 3

Exhibit
Final Schedule B-2
Page 5
Witness: Bourassa

Contributions-in-Aid of Construction (CIAC) and Accumulated Amortization

Line

No.

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	Gross CIAC	Accumulated Amortization
Proposed balance at end of test year	\$ 294,745	\$ 96,938
Adjusted balance at end of test year	\$ 294,745	\$ 96,938
Increase (decrease)	\$ -	\$ -
Adjustment to CIAC/AA CIAC	\$ -	\$ -
Label	3a	3b

SUPPORTING SCHEDULES

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Computation of Working Capital

Exhibit
Final Schedule B-5
Page 1
Witness: Bourassa

Line
No.

1	Cash Working Capital (1/8 of Allowance		
2	Operation and Maintenance Expense)	\$	9,763
3	Pumping Power (1/24 of Pumping Power)		2,761
4	Purchased Water (1/24 of Purchased Water)		-
5	Prepaid Expenses		
6			
7			
8			
9	Total Working Capital Allowance	\$	12,523
10			
11			
12	Working Capital Requested	\$	-
13			
14			
15			
16			
17		<u>Adjusted Test Year</u>	
18	Total Operating Expense	\$	205,941
19	Less:		
20	Income Tax	\$	59
21	Property Tax		7,464
22	Depreciation		54,056
23	Purchased Water		-
24	Pumping Power		66,261
25	Allowable Expenses	\$	78,100
26	1/8 of allowable expenses	\$	9,763
27			
28			
29	<u>SUPPORTING SCHEDULES:</u>	<u>RECAP SCHEDULES:</u>	
30	E-1	B-1	
31			
32			
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Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Income Statement

Exhibit
Final Schedule C-1
Page 1
Witness: Bourassa

Line No.		Test Year Adjusted Results	Adjustment	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	Revenues					
2	Metered Water Revenues	\$ 202,743	\$ -	\$ 202,743	\$ 207,335	\$ 410,078
3	Unmetered Water Revenues	-	-	-	-	-
4	Other Water Revenues	5,261	(1,820)	3,441		3,441
5		<u>\$ 208,004</u>	<u>\$ (1,820)</u>	<u>\$ 206,184</u>	<u>\$ 207,335</u>	<u>\$ 413,519</u>
6	Operating Expenses					
7	Salaries and Wages	\$ -	-	\$ -		\$ -
8	Purchased Water	-	-	-		-
9	Purchased Power	66,787	(526)	66,261		66,261
10	Fuel For Power Production	-	-	-		-
11	Chemicals	1,460	-	1,460		1,460
12	Materials and Supplies	12,257	-	12,257		12,257
13	Office Supplies and Expense	2,399	-	2,399		2,399
14	Contractual Services - Accounting	20,253	-	20,253		20,253
15	Contractual Services - Professional	9,651	-	9,651		9,651
16	Contractual Services - Maintenance	-	-	-		-
17	Contractual Services - Other	-	-	-		-
18	Water Testing	8,107	(7,733)	374		374
19	Rents	-	6,014	6,014		6,014
20	Transportation Expenses	-	-	-		-
21	Insurance - General Liability	2,186	-	2,186		2,186
22	Insurance - Health and Life	-	-	-		-
23	Reg. Comm. Exp. - Other	-	-	-		-
24	Reg. Comm. Exp. - Rate Case	10,000	-	10,000		10,000
25	Miscellaneous Expense	19,976	(6,469)	13,507		13,507
26	Bad Debt Expense	-	-	-		-
27	Depreciation and Amortization Expense	57,728	(3,672)	54,056		54,056
28	Taxes Other Than Income	-	-	-		-
29	Property Taxes	7,530	(66)	7,464	2,502	9,966
30	Income Tax	(2,064)	2,124	59	40,101	40,160
31	Total Operating Expenses	<u>\$ 216,269</u>	<u>\$ (10,328)</u>	<u>\$ 205,941</u>	<u>\$ 42,603</u>	<u>\$ 248,544</u>
32	Operating Income	<u>\$ (8,265)</u>	<u>\$ 8,508</u>	<u>\$ 243</u>	<u>\$ 164,732</u>	<u>\$ 164,976</u>
33	Other Income (Expense)					
34	Interest Income	-	-	-		-
35	Other income	-	-	-		-
36	Interest Expense	-	-	-		-
37	Other Expense	-	-	-		-
38		-	-	-		-
39	Total Other Income (Expense)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
40	Net Profit (Loss)	<u><u>\$ (8,265)</u></u>	<u><u>\$ 8,508</u></u>	<u><u>\$ 243</u></u>	<u><u>\$ 164,732</u></u>	<u><u>\$ 164,976</u></u>

41
42 SUPPORTING SCHEDULES:
43 C-1, page 2
44 E-2
45

RECAP SCHEDULES:
A-1

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Income Statement

Exhibit
Final Schedule C-1
Page 2.1
Witness: Bourassa

Line No.	LABEL>>>>	1	2	3	4	5	6	7
	Test Year Adjusted Results	Depreciation	Property Taxes	Rate Case Expense	Revenue Adjustment	Water Testing	Auto Expense	Telephone Expense
1	Revenues							
2	Metered Water Revenues	\$ 202,743						
3	Unmetered Water Revenues	-						
4	Other Water Revenues	5,261			(1,820)			
5		\$ 208,004	\$ -	\$ -	\$ -	\$ (1,820)	\$ -	\$ -
6	Operating Expenses							
7	Salaries and Wages	\$ -						
8	Purchased Water	-						
9	Purchased Power	66,787						
10	Fuel For Power Production	-						
11	Chemicals	1,460						
12	Materials and Supplies	12,257						
13	Office Supplies and Expense	2,399						
14	Contractual Services - Accounting	20,253						
15	Contractual Services - Professional	9,651						
16	Contractual Services - Maintenance	-						
17	Contractual Services - Other	-						
18	Water Testing	8,107				(7,733)		
19	Rents	-						
20	Transportation Expenses	-						
21	Insurance - General Liability	2,186						
22	Insurance - Health and Life	-						
23	Reg. Comm. Exp. - Other	-						
24	Reg. Comm. Exp. - Rate Case	10,000						
25	Miscellaneous Expense	19,976					(1,750)	(2,366)
26	Bad Debt Expense	-						
27	Deprec. and Amort. Exp.	57,728	(3,672)					
28	Taxes Other Than Income	-						
29	Property Taxes	7,530		(66)				
30	Income Tax	(2,064)						
31	Total Operating Expenses	\$ 216,269	\$ (3,672)	\$ (66)	\$ -	\$ (7,733)	\$ (1,750)	\$ (2,366)
32	Operating Income	\$ (8,265)	\$ 3,672	\$ 66	\$ -	\$ (1,820)	\$ 7,733	\$ 2,366
33	Other Income (Expense)							
34	Interest Income	-						
35	Other income	-						
36	Interest Expense	-						
37	Other Expense	-						
38		-						
39	Total Other Income (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	Net Profit (Loss)	\$ (8,265)	\$ 3,672	\$ 66	\$ -	\$ (1,820)	\$ 7,733	\$ 2,366

SUPPORTING SCHEDULES:

C-2

E-2

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Income Statement

Exhibit
Final Schedule C-1
Page 2.2
Witness: Bourassa

Line No.	8 Utility Expense	9 Office Rent Exp	10 Late Fees	11 Income Taxes	Rejoinder Test Year Adjusted Results	Proposed Rate Increase	Rejoinder Adjusted with Rate Increase
1	Revenues						
2	Metered Water Revenues				\$ 202,743	\$ 207,335	\$ 410,078
3	Unmetered Water Revenues				-	-	-
4	Other Water Revenues				3,441	3,441	3,441
5					\$ 206,184	\$ 207,335	\$ 413,519
6	Operating Expenses						
7	Salaries and Wages				\$ -	\$ -	-
8	Purchased Water				-	-	-
9	Purchased Power		(526)		66,261		66,261
10	Fuel For Power Production				-	-	-
11	Chemicals				1,460		1,460
12	Materials and Supplies				12,257		12,257
13	Office Supplies and Expense				2,399		2,399
14	Contractual Services - Accounting				20,253		20,253
15	Contractual Services - Professional				9,651		9,651
16	Contractual Services - Maintenance				-		-
17	Contractual Services - Other				-		-
18	Water Testing				374		374
19	Rents	6,014			6,014		6,014
20	Transportation Expenses				-		-
21	Insurance - General Liability				2,186		2,186
22	Insurance - Health and Life				-		-
23	Reg. Comm. Exp. - Other				-		-
24	Reg. Comm. Exp. - Rate Case				10,000		10,000
25	Miscellaneous Expense	(2,353)			13,507		13,507
26	Bad Debt Expense				-		-
27	Deprec. and Amort. Exp.				54,056		54,056
28	Taxes Other Than Income				-		-
29	Property Taxes				7,464	2,502	9,966
30	Income Tax			2,124	59	40,101	40,160
31	Total Operating Expenses	\$ (2,353)	\$ 6,014	\$ (526)	\$ 2,124	\$ 205,941	\$ 42,603
32	Operating Income	\$ 2,353	\$ (6,014)	\$ 526	\$ (2,124)	\$ 243	\$ 164,732
33	Other Income (Expense)						
34	Interest Income				-		-
35	Other income				-		-
36	Interest Expense				-		-
37	Other Expense				-		-
38					-		-
39	Total Other Income (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	Net Profit (Loss)	\$ 2,353	\$ (6,014)	\$ 526	\$ (2,124)	\$ 243	\$ 164,732

SUPPORTING SCHEDULES:

C-2

E-2

RECAP SCHEDULES:

C-1, page 1

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustments to Revenues and Expenses

Exhibit
Final Schedule C-2
Page 1
Witness: Bourassa

Line No.	<u>Adjustments to Revenues and Expenses</u>						<u>Subtotal</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	
	<u>Depreciation Expense</u>	<u>Property Taxes</u>	<u>Rate Case Expense</u>	<u>Revenue Adjustment</u>	<u>Water Testing</u>	<u>Auto Expense</u>	
1							
2							
3							
4	Revenues			(1,820)			(1,820)
5							
6	Expenses	(3,672)	(66)	-	(7,733)	(1,750)	(13,221)
7							
8	Operating						
9	Income	3,672	66	-	(1,820)	7,733	11,401
10							
11	Interest						
12	Expense					-	-
13	Other						
14	Income /						-
15	Expense						
16							
17	Net Income	3,672	66	-	(1,820)	7,733	11,401
18							
19							
20		<u>Adjustments to Revenues and Expenses</u>					<u>Subtotal</u>
21	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>		
22							
23	<u>Telephone Expense</u>	<u>Utility Expense</u>	<u>Office Rent Exp</u>	<u>Late Fees</u>	<u>Income Taxes</u>		
24							
25	Revenues						(1,820)
26							
27	Expenses	(2,366)	(2,353)	6,014	(526)	2,124	(10,328)
28							
29	Operating						
30	Income	2,366	2,353	(6,014)	526	(2,124)	8,508
31							
32	Interest						
33	Expense						-
34	Other						
35	Income /						-
36	Expense						
37							
38	Net Income	2,366	2,353	(6,014)	526	(2,124)	8,508
39							
40							

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Final Schedule C-2
Page 2
Witness: Bourassa

Depreciation Expense

Line No.	Acct.	Description	Adjusted Original Cost	Non-depreciable/ Fully Depreciated	Adjusted Original Cost	Proposed Rates	Depreciation Expense
1							
2							
3							
4							
5	301	Organization Cost	-		-	0.00%	-
6	302	Franchise Cost	-		-	0.00%	-
7	303	Land and Land Rights	210,000	(210,000)	-	0.00%	-
8	304	Structures and Improvements	72,997		72,997	3.33%	2,431
9	305	Collecting and Impounding Res.	-		-	2.50%	-
10	306	Lake River and Other Intakes	-		-	2.50%	-
11	307	Wells and Springs	1,261,539		1,261,539	3.33%	42,009
12	308	Infiltration Galleries and Tunnels	-		-	6.67%	-
13	309	Supply Mains	-		-	2.00%	-
14	310	Power Generation Equipment	89,125		89,125	5.00%	4,456
15	311	Electric Pumping Equipment	158,711	(158,711)	-	12.50%	-
16	320	Water Treatment Equipment	5,487		5,487	3.33%	183
17	320.1	Water Treatment Plant	-		-	3.33%	-
18	320.2	Chemical Solution Feeders	-		-	20.00%	-
19	330	Dist. Reservoirs & Standpipe	321,452		321,452	2.22%	7,136
20	330.1	Storage tanks	-		-	2.22%	-
21	330.2	Pressure Tanks	-		-	5.00%	-
22	331	Trans. and Dist. Mains	161,632		161,632	2.00%	3,233
23	333	Services	86,250		86,250	3.33%	2,872
24	334	Meters	-		-	8.33%	-
25	335	Hydrants	34,500		34,500	2.00%	690
26	336	Backflow Prevention Devices	-		-	6.67%	-
27	339	Other Plant and Misc. Equip.	-		-	6.67%	-
28	340	Office Furniture and Fixtures	2,947		2,947	6.67%	197
29	340.1	Computers and Software	-		-	20.00%	-
30	341	Transportation Equipment	-		-	20.00%	-
31	342	Stores Equipment	-		-	4.00%	-
32	343	Tools and Work Equipment	-		-	5.00%	-
33	344	Laboratory Equipment	-		-	10.00%	-
34	345	Power Operated Equipment	-		-	5.00%	-
35	346	Communications Equipment	-		-	10.00%	-
36	347	Miscellaneous Equipment	-		-	10.00%	-
37	348	Other Tangible Plant	-		-	10.00%	-
38		TOTALS	\$ 2,404,640	\$ (368,711)	\$ 2,035,929		\$ 63,207
39							
40							
41		Less: Amortization of Contributions			Gross CIAC \$ 294,745	Amort. Rate 3.1046%	\$ (9,151)
42		Total Depreciation Expense					\$ 54,056
43							
44		Adjusted Test Year Depreciation Expense					57,728
45							
46		Increase (decrease) in Depreciation Expense					(3,672)
47							
48		Adjustment to Revenues and/or Expenses					\$ (3,672)
49							
50		<u>SUPPORTING SCHEDULE</u>					
51		B-2, page 3					

*Fully Depreciated

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 2

Exhibit
Final Schedule C-2
Page 3
Witness: Bourassa

Property Taxes

Line No.	DESCRIPTION	Test Year as adjusted	Company Recommended
1	Company Adjusted Test Year Revenues	\$ 206,184	\$ 206,184
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	412,368	412,368
4	Company Recommended Revenue	206,184	413,519
5	Subtotal (Line 4 + Line 5)	618,552	825,888
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	206,184	275,296
8	Department of Revenue Multiplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	412,368	550,592
10	Plus: 10% of CWIP (intentionally excluded)	-	-
11	Less: Net Book Value of Licensed Vehicles	-	-
12	Full Cash Value (Line 9 + Line 10 - Line 11)	412,368	550,592
13	Assessment Ratio	20.0%	20.0%
14	Assessment Value (Line 12 * Line 13)	82,474	110,118
15	Composite Property Tax Rate - Obtained from ADOR	9.0503%	9.0503%
16	Test Year Adjusted Property Tax Expense (Line 14 * Line 15)	\$ 7,464	\$ 9,966
17	Tax on Parcels	-	-
18	Total Property Taxes (Line 16 + Line 17)	\$ 7,464	
19	Test Year Property Taxes	\$ 7,530	
20	Adjustment to Test Year Property Taxes (Line 18 - Line 19)	\$ (66)	
21			
22	Property Tax on Company Recommended Revenue (Line 16 + Line 17)		\$ 9,966
23	Company Test Year Adjusted Property Tax Expense (Line 18)		\$ 7,464
24	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 2,502
25			
26	Increase in Property Tax Due to Increase in Revenue Requirement (Line 24)		\$ 2,502
27	Increase in Revenue Requirement		\$ 207,335
28	Increase in Property Tax Per Dollar Increase in Revenue (Line 26 / Line 27)		1.20671%
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 3

Exhibit
Final Schedule C-2
Page 4
Witness: Bourassa

Rate Case Expense

Line

No.

1

2

3

4

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20

Estimated Rate Case Expense

\$ 50,000

Estimated Amortization Period in Years

5

Annual Rate Case Expense

\$ 10,000

Adjusted Test Year Rate Case Expense

\$ 10,000

Increase(decrease) Rate Case Expense

\$ -

Adjustment to Revenue and/or Expense

\$ -

Reference

Testimony

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 4

Exhibit
Final Schedule C-2
Page 5
Witness: Bourassa

Revenue Adjustment

Line

No.

1

2

3

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16

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18

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Revenue Adjustment

\$ (1,820)

Total Revenue from Annualization

\$ (1,820)

Adjustment to Revenue and/or Expense

\$ (1,820)

Reference

Staff Adjustment # 1

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 5

Exhibit
Final Schedule C-2
Page 6
Witness: Bourassa

Water Testing

Line
No.

1		
2	RUCO Recommended Water Testing Expense	\$ 374
3		
4	Adjuste Test Year Water Testing Expense	\$ 8,107
5		
6	Adjustment to purchased power expense (rounded)	<u>\$ (7,733)</u>
7		
8		
9	Adjustment to Revenue and/or Expense	<u>(7,733)</u>
10		
11	<u>Reference</u>	
12	RUCO Adjustment #2	
13		
14		
15		
16		
17		
18		
19		
20		

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 6

Exhibit
Final Schedule C-2
Page 7
Witness: Bourassa

Auto Expense

Line
No.

1		
2	Test Year Auto Expense	\$ 1,500
3		
4	Staff Recommended Auto Expense	3,250
5		
6	Adjustment to Revenues	<u>\$ (1,750)</u>
7		
8		
9	Adjustment to Revenue and/or Expense	<u>(1,750)</u>
10		
11	<u>Reference</u>	
12	Staff Adjustment #4	
13		
14		
15		
16		
17		
18		
19		
20		

Utility Source. LLC - Water Division
Test Year Ended December 31, 2001
Adjustment to Revenues and Expenses
Adjustment Number 7

Exhibit
Final Schedule C-2
Page 8
Witness: Bourassa

Telephone Expense

Line
No.

1		
2	Staff Recommended Telephone Expense	\$ 2,366
3		
4	Adjusted Test Year Telephone Expense	4,732
5		
6	Adjustment to Misc. Expense	<u>\$ (2,366)</u>
7		
8		
9	Adjustment to Revenue and/or Expense	<u>\$ (2,366)</u>
10		
11	<u>Reference</u>	
12	Staff Adjustment #5	
13		
14		
15		
16		
17		
18		
19		
20		

Utility Source. LLC - Water Division
Test Year Ended December 31, 2001
Adjustment to Revenues and Expenses
Adjustment Number 8

Exhibit
Final Schedule C-2
Page 9
Witness: Bourassa

Utility Expense

Line
No.

1			
2	Staff Recommended Adjustment to Misc. Expense for Utility Expenses	\$	(2,353)
3			
4	Adjustment to Misc. Expense		(2,353)
5			
6	Adjustment to Revenue and/or Expense	\$	<u>(2,353)</u>
7			
8	<u>Reference</u>		
9	Staff Adjustment #7		
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 9

Exhibit
Final Schedule C-2
Page 10
Witness: Bourassa

Rent Expense

Line
No.

1		
2	Staff Recommended Adjustment to Rent Expense	\$ 6,014
3		
4	Adjustment to Rent Expense	6,014
5		
6	Adjustment to Revenue and/or Expense	<u>\$ 6,014</u>
7		
8	<u>Reference</u>	
9	Staff Adjustment #8	
10		
11		
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Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 10

Exhibit
Final Schedule C-2
Page 11
Witness: Bourassa

Purchased Power Late Fees

Line

No.

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Staff Recommended Adjustment to Purchased Power

\$

(526)

Adjustment to Purchased Power Expense

(526)

Adjustment to Revenue and/or Expense

\$

(526)

Reference

Staff Adjustment #9

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Adjustment to Revenues and/or Expenses
Adjustment Number 11

Exhibit
Final Schedule C-2
Page 12
Witness: Bourassa

Line

No.

1 Income Taxes

2

3

4 Computed Income Tax

5 Test Year Income tax Expense

6 Adjustment to Income Tax Expense

7

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13 SUPPORTING SCHEDULE

14 C-3, page 2

15

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**Test Year
at Present Rates**

\$	59
	(2,064)
<u>\$</u>	<u>2,124</u>

**Test Year
at Proposed Rates**

\$	40,160
	59
<u>\$</u>	<u>40,101</u>

Utility Source. LLC - Water Division
Test Year Ended December 31, 2012
Computation of Gross Revenue Conversion Factor

Exhibit
Final Schedule C-3
Page 1
Witness: Bourassa

Line		Percentage of Incremental Gross Revenues
No.	Description	
1	Combined Federal and State Effective Income Tax Rate	19.577%
2		
3	Property Taxes	0.970%
4		
5		
6	Total Tax Percentage	20.548%
7		
8	Operating Income % = 100% - Tax Percentage	79.452%
9		
10		
11		
12		
13	<u>1</u> = Gross Revenue Conversion Factor	
14	Operating Income %	1.2586
15		
16		
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25	<u>SUPPORTING SCHEDULES:</u>	<u>RECAP SCHEDULES:</u>
26	C-3, page 2	A-1
27		
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Utility Source, LLC - Water Division
Test Year Ended December 31, 2012

Exhibit
Final Schedule C-3
Page 2
Witness: Bourassa

GROSS REVENUE CONVERSION FACTOR

Line No.	Description	(A)	(B)	(C)	(D)	(E)	(F)
<u>Calculation of Gross Revenue Conversion Factor:</u>							
1	Revenue		100.0000%				
2	Uncollectible Factor (Line 11)		0.0000%				
3	Revenues (L1 - L2)		100.0000%				
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)		20.5478%				
5	Subtotal (L3 - L4)		79.4522%				
6	Revenue Conversion Factor (L1 / L5)		1.258619				
<u>Calculation of Uncollectible Factor:</u>							
7	Unity		100.0000%				
8	Combined Federal and State Tax Rate (L17)		19.5774%				
9	One Minus Combined Income Tax Rate (L7 - L8)		80.4226%				
10	Uncollectible Rate		0.0000%				
11	Uncollectible Factor (L9 * L10)		0.0000%				
<u>Calculation of Effective Tax Rate:</u>							
12	Operating Income Before Taxes (Arizona Taxable Income)		100.0000%				
13	Arizona State Income Tax Rate		3.0915%				
14	Federal Taxable Income (L12 - L13)		96.9085%				
15	Applicable Federal Income Tax Rate (L55 Col F)		17.0118%				
16	Effective Federal Income Tax Rate (L14 x L15)		16.4859%				
17	Combined Federal and State Income Tax Rate (L13 + L16)		19.5774%				
<u>Calculation of Effective Property Tax Factor:</u>							
18	Unity		100.0000%				
19	Combined Federal and State Income Tax Rate (L17)		19.5774%				
20	One Minus Combined Income Tax Rate (L18-L19)		80.4226%				
21	Property Tax Factor		1.2067%				
22	Effective Property Tax Factor (L20*L21)		0.9705%				
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)		20.5478%				
24	Required Operating Income	\$	164,976				
25	Adjusted Test Year Operating Income (Loss)	\$	243				
26	Required Increase in Operating Income (L24 - L25)			\$	164,732		
27	Income Taxes on Recommended Revenue (Col. (F), L52)	\$	40,160				
28	Income Taxes on Test Year Revenue (Col. (C), L52)	\$	59				
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)			\$	40,101		
30	Recommended Revenue Requirement	\$	413,519				
31	Uncollectible Rate (Line 10)		0.0000%				
32	Uncollectible Expense on Recommended Revenue (L24 * L25)	\$	-				
33	Adjusted Test Year Uncollectible Expense	\$	-				
34	Required Increase in Revenue to Provide for Uncollectible Exp.			\$	-		
35	Property Tax with Recommended Revenue	\$	9,966				
36	Property Tax on Test Year Revenue	\$	7,464				
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)			\$	2,502		
38	Total Required Increase in Revenue (L26 + L29 + L37)			\$	207,335		

	(A)	(B)	(C)	(D)	(E)	(F)
<u>Calculation of Income Tax:</u>						
	Test Year			Company Recommended		
	Total		Water	Total		Water
39	Revenue	\$ 206,184	\$ 206,184	\$ 413,519		\$ 413,519
40	Operating Expenses Excluding Income Taxes	205,881	205,881	208,383		208,383
41	Synchronized Interest (L47)	-	-	-		-
42	Arizona Taxable Income (L39 - L40 - L41)	303	303	205,136		205,136
43	Arizona State Effective Income Tax Rate (see work papers)	3.0915%	3.0915%	3.0915%		3.0915%
44	Arizona Income Tax (L42 x L43)	9	9	6,342		6,342
45	Federal Taxable Income (L42-L44)	293	293	198,794		198,794
46	Federal Tax Rate	17.0118%	17.0118%	17.0118%		17.0118%
47	Federal Tax	50	50	33,818		33,818
48						
49						
50						
51						
52						
53	Total Federal Income Tax	\$ 50	\$ 50	\$ 33,818		\$ 33,818
54	Combined Federal and State Income Tax (L35 + L42)	\$ 59	\$ 59	\$ 40,160		\$ 40,160

55 COMBINED Applicable Federal Income Tax Rate [Col. (D), L53 - Col. (A), L53] / [Col. (D), L45 - Col. (A), L45]
 56 WASTEWATER Applicable Federal Income Tax Rate [Col. (E), L53 - Col. (B), L53] / [Col. (E), L45 - Col. (B), L45]
 57 WATER Applicable Federal Income Tax Rate [Col. (F), L53 - Col. (C), L53] / [Col. (F), L45 - Col. (C), L45]

17.0118%
 0.0000%
 17.0118%

Calculation of Interest Synchronization:

58 Rate Base
 59 Weighted Average Cost of Debt
 60 Synchronized Interest (L59 X L60)

Wastewater	Water
\$ 1,575,194	\$ 1,499,779
0.0000%	0.0000%
\$ -	\$ -

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Summary of Cost of Capital

Exhibit
Final Schedule D-1
Page 1
Witness: Bourassa

Consolidated Capital Structure

Actual End of Test Year

Projected Capital Structure

Line No.	Item of Capital	Dollar Amount	Percent of Total	Cost Rate	Weighted Cost	Dollar Amount	Percent of Total	Cost Rate	Weighted Cost
1	Long-Term Debt	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%
2									
3	Stockholder's Equity	3,722,209	100.00%	11.00%	11.00%	3,722,209	100.00%	11.00%	11.00%
4									
5	Totals	3,722,209	100.00%		11.00%	3,722,209	100.00%		11.00%

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SUPPORTING SCHEDULES:

D-1
D-3
D-4
E-1
Testimony

RECAP SCHEDULES:

A-3

Utility Source, LLC - Water Division
Revenue Summary
Test Year Ended December 31, 2012

Exhibit
Final Schedule H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Classification	Total Revenues at Present Rates	Total Revenues at Proposed Rates	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	3/4 Inch	Residential	\$ 159,301	\$ 310,716	\$ 151,415	95.05%	77.26%	75.14%
2	3/4 Inch	Commercial	322	781	459	142.79%	0.16%	0.19%
3	2 Inch	Commercial	38,120	86,572	48,453	127.11%	18.49%	20.94%
4	2 Inch	Irrigation	1,776	3,765	1,989	112.00%	0.86%	0.91%
5								
6	Bulk/Construction		3,482	7,102	3,619	103.93%	1.69%	1.72%
7								
8								
9	Subtotals of Revenues		\$ 203,001	\$ 408,936	\$ 205,935	101.45%	98.46%	98.89%
10	Revenue Annualizations:							
11	3/4 Inch	Residential	\$ 328	\$ 597	\$ 270	82.31%	0.16%	0.14%
12								
13								
14								
15	Bulk/Construction		-	-	-	0.00%	0.00%	0.00%
16	Subtotal Revenue Annualization		328	597	270	82.31%	0.16%	0.29%
17								
18	Total Revenues w/ Annualization		\$ 203,328	\$ 409,533	\$ 206,205	101.41%	98.61%	99.04%
19	Misc Revenues, as adjusted		3,441	3,441	-	0.00%	1.67%	0.83%
20	Reconciling Amount		(585)	545	1,130	-193.16%	-0.28%	0.13%
21	Total Revenues		\$ 206,184	\$ 413,519	\$ 207,335	100.56%	100.00%	100.00%
22								
23								

Utility Source, LLC - Water Division
 Analysis of Revenue by Detailed Class
 Test Year Ended December 31, 2012

Exhibit
 Final Schedule H-2
 Page 1
 Witness: Bourassa

Line No.	Customer Classification and/or Meter Size	(a) Average Number of Customers at 12/31/2012	Average Consumption	Average Bill		Proposed Increase		Percent of Customers
		Present Rates		Proposed Rates	Dollar Amount	Percent Amount		
1	3/4 Inch Residential	320	4,123	\$ 38.58	\$ 71.27	\$ 32.69	84.73%	98.16%
2	3/4 Inch Commercial	1	1,667	26.50	64.31	37.81	142.66%	0.31%
3	2 Inch Commercial	3	115,286	1,004.10	2,176.54	1,172.44	116.76%	0.92%
4	2 Inch Irrigation	1	-	\$ 148.00	\$ 313.76	\$ 165.76	112.00%	0.31%
5								
6	Construction/Bulk	1	26,251	290.19	591.79	301.60	103.93%	0.31%
7								
8								
9								
10								
11								
12	Totals	<u>326</u>						<u>100.00%</u>
13								
14	Actual Year End Number of Customers:	<u>327</u>						
15								
16								
17								
18								
19								

Utility Source, LLC - Water Division
 Analysis of Revenue by Detailed Class
 Test Year Ended December 31, 2012

Exhibit
 Final Schedule H-2
 Page 2
 Witness: Bourassa

Line No.	Customer Classification and/or Meter Size	(a) Average Number of Customers at 12/31/2012	Median Consumption	Median Bill		Proposed Increase		Percent of Customers
				Present Rates	Proposed Rates	Dollar Amount	Percent Amount	
1	3/4 Inch Residential	320	3,500	\$ 35.30	\$ 65.65	\$ 30.35	85.96%	98.16%
2	3/4 Inch Commercial	1	1,500	\$ 25.70	\$ 61.80	\$ 36.10	140.45%	0.31%
3	2 Inch Commercial	3	65,000	613.40	1,292.01	678.61	110.63%	0.92%
4	2 Inch Irrigation	1	-	\$ 148.00	\$ 313.76	\$ 165.76	112.00%	0.31%
5								
6	Construction/Bulk	1	40,501	437.69	891.77	454.08	103.75%	0.31%
7								
8								
9								
10								
11	Totals	<u>326</u>						<u>100.00%</u>
12								
13	Actual Year End Number of Customers:	<u>327</u>						
14								
15								
16								
17								
18								

Utility Source, LLC - Water Division
Revenue Breakdown Summary
Present Rates

Exhibit
Final Schedule H-2
Page 3
Witness: Bourassa

		Monthly Mins	Commodity First Tier	Commodity Second Tier	Commodity Third Tier	Total
3/4 Inch	Residential	\$ 71,262	\$ 54,684	\$ 23,774	\$ 9,908	\$ 159,629
3/4 Inch	Commercial	\$ 222	\$ 89	\$ 11	\$ -	\$ 322
2 Inch	Commercial	\$ 5,328	\$ 14,424	\$ 18,368	\$ -	\$ 38,120
2 Inch	Irrigation	\$ 1,776	\$ -	\$ -	\$ -	\$ 1,776
Construction/Bulk		\$ 222	\$ 3,260	\$ -	\$ -	\$ 3,482
TOTALS		<u>\$ 78,810</u>	<u>\$ 72,457</u>	<u>\$ 42,153</u>	<u>\$ 9,908</u>	<u>\$ 203,328</u>
Percent of Total		38.76%	35.64%	20.73%	4.87%	100.00%
Cumulative %		38.76%	74.40%	95.13%	100.00%	

	Amount	% of Revenues
<u>Monthly Minimum Revenues</u>	\$ 78,810	38.76%

Commodity Revenues

Lowest Commodity Rate	\$ 54,773	26.94%
Middle Commodity Rate	\$ 38,209	18.79%
Highest Commodity rate	\$ 31,536	15.51%
Subtotal Commodity Revenues	<u>\$ 124,518</u>	<u>61.24%</u>

Total Revenues	<u>\$ 203,328</u>	<u>100.00%</u>
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Utility Source, LLC - Water Division
Revenue Breakdown Summary
Proposed Rates

Exhibit
Final Schedule H-2
Page 4
Witness: Bourassa

		<u>Monthly Mins</u>	<u>Commodity First Tier</u>	<u>Commodity Second Tier</u>	<u>Commodity Third Tier</u>	<u>Total</u>
3/4 Inch	Residential	\$ 151,075	\$ 86,014	\$ 49,972	\$ 24,252	\$ 311,314
3/4 Inch	Commercial	\$ 471	\$ 278	\$ 32	\$ -	\$ 781
2 Inch	Commercial	\$ 11,295	\$ 30,318	\$ 44,959	\$ -	\$ 86,572
2 Inch	Irrigation	\$ 3,765	\$ -	\$ -	\$ -	\$ 3,765
Construction/Bulk		\$ 471	\$ 6,631	\$ -	\$ -	\$ 7,102
TOTALS		<u>\$ 167,077</u>	<u>\$ 123,241</u>	<u>\$ 94,962</u>	<u>\$ 24,252</u>	<u>\$ 409,533</u>
Percent of Total		40.80%	30.09%	23.19%	5.92%	100.00%
Cumulative %		40.80%	70.89%	94.08%	100.00%	

	<u>Amount</u>	<u>% of Revenues</u>
<u>Monthly Minimum Revenues</u>	\$ 167,077	40.80%

Commodity Revenues

Lowest Commodity Rate	\$ 86,292	21.07%	
Middle Commodity Rate	\$ 80,322	19.61%	
Highest Commodity rate	\$ 75,842	18.52%	
Subtotal Commodity Revenues	<u>\$ 242,456</u>	<u>59.20%</u>	38.13%
Total Revenues	<u>\$ 409,533</u>	<u>100.00%</u>	

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Present and Proposed Rates

Exhibit
Final Schedule H-3
Page 1

Line No.	Monthly Usage Charge for:	Present Rates	Proposed Rates	Change	Percent Change
1	<u>Meter Size (All Classes):</u>				
2	5/8x3/4 Inch	\$ 18.50	\$ 39.22	\$ 20.72	112.00%
2	3/4 Inch	18.50	39.22	20.72	112.00%
3	1 Inch	46.50	98.05	51.55	110.86%
4	1 1/2 Inch	92.50	196.10	103.60	112.00%
5	2 Inch	148.00	313.76	165.76	112.00%
6	3 Inch	296.00	627.52	331.52	112.00%
7	4 Inch	462.50	980.50	518.00	112.00%
8	6 Inch	925.00	1,961.00	1,036.00	112.00%
9					
10					
11					
12	<u>Gallons In Minimum (All Classes)</u>				
13					
14					
15					
16	<u>Commodity Rates</u>	<u>Block</u>	(Per 1,000 gallons) <u>Present Rate</u>	<u>Proposed Rate</u>	
17					
18	5/8x3/4 Inch (Residential, Commercial)	1 gallons to 4,000 gallons	\$ 4.80	\$ 7.55	
19		4,001 gallons to 9,000 gallons	\$ 7.16	\$ 15.05	
20		over 9,000 gallons	\$ 8.60	\$ 21.05	
21					
22	3/4 Inch Meter (Residential, Commercial)	1 gallons to 4,000 gallons	\$ 4.80	\$ 7.55	
23		4,001 gallons to 9,000 gallons	\$ 7.16	\$ 15.05	
24		over 9,000 gallons	\$ 8.60	\$ 21.05	
25					
26	1 Inch Meter (Residential, Commercial)	1 gallons to 27,000 gallons	\$ 4.80	\$ 15.05	
27		over 27,000 gallons	\$ 7.16	\$ 21.05	
28					
29	1.5 Inch Meter (Residential, Commercial)	Over Minimum up to 57,000 gallons	\$ 4.80	\$ 15.05	
30		Over 57,000 gallons	\$ 7.16	\$ 21.05	
31					
32	2 Inch Meter (Residential, Commercial)	1 gallons to 94,000 gallons	\$ 4.80	\$ 15.05	
33		over 94,000 gallons	\$ 7.16	\$ 21.05	
34					
35	3 Inch Meter (Residential, Commercial)	1 gallons to 195,000 gallons	\$ 4.80	\$ 15.05	
36		over 195,000 gallons	\$ 7.16	\$ 21.05	
37					
38					
39					
40	NT = No Tariff				
41					

Utility Source, LLC - Water Division
Test Year Ended December 31, 2012
Present and Proposed Rates

Exhibit
Final Schedule H-3
Page 2

Line
No.

			(Per 1,000 gallons)	
			Present	Proposed
			<u>Rate</u>	<u>Rate</u>
3	Commodity Rates	Block		
4	4 Inch Meter (Residential, Commercial)	1 gallons to 309,000 gallons	\$ 4.80	\$ 15.05
5		over 309,000 gallons	\$ 7.16	\$ 21.05
6				
7	6 Inch Meter (Residential, Commercial)	1 gallons to 615,000 gallons	\$ 4.80	\$ 15.05
8		over 615,000 gallons	\$ 7.16	\$ 21.05
9				
10	Irrigation Meters	All gallons	\$ 9.26	\$ 15.05
11				
12	Standpipe or Bulk	All gallons	\$ 10.35	\$ 21.05
13				
14	Construction	All gallons	\$ 10.35	\$ 21.05
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42	Construction/Standpipe	All gallons	NT	\$ 21.05
43				
44	NT = No Tariff			

Utility Source, LLC - Water Division
Present and Proposed Rates
Test Year Ended December 31, 2012

Exhibit
Final Schedule H-3
Page 3
Witness: Bourassa

Line
No.

Meter and Service Line Charges¹

	Present Service Line Charge	Meter Install- ation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Install- ation Charge	Total Proposed Charge
7 5/8 x 3/4 Inch			\$ 520.00	\$ 385.00	\$ 135.00	\$ 520.00
8 3/4 Inch			575.00	415.00	205.00	620.00
9 1 Inch			660.00	465.00	265.00	730.00
10 1 1/2 Inch			900.00	520.00	475.00	995.00
11 2 Inch Turbo			1,525.00	800.00	995.00	1,795.00
12 2 Inch, Compound			2,320.00	800.00	1,840.00	2,640.00
13 3 Inch Turbo			2,275.00	1,015.00	1,620.00	2,635.00
14 3 Inch, compound			3,110.00	1,135.00	2,495.00	3,630.00
15 4 Inch Turbo			3,360.00	1,430.00	2,570.00	4,000.00
16 4 Inch, compound			4,475.00	1,610.00	3,545.00	5,155.00
17 6 Inch Turbo			6,035.00	2,150.00	4,925.00	7,075.00
18 6 Inch, compound			8,050.00	2,270.00	6,820.00	9,090.00

¹ Based on ACC Staff Engineering Memo dated February 21, 2008

Other Charges:

Establishment	\$ 20.00
Establishment (After Hours)	\$ 40.00
Reconnection (Delinquent)	\$ 50.00
Reconnection (After hours)	\$ 40.00
Meter Test	\$ 20.00
Minimum Deposit Requirement	PER RULE
Deposit Interest	PER RULE
Re-establishment (Within 12 months)	PER RULE
NSF Check	\$ 20.00
Deferred Payment, per month	1.5%
Meter Re-read	\$ 10.00
Late Charge	1.5%
Customer requested Meter Test	\$ 20.00
After hours service charge	\$ 40.00
Moving Customer Meter (at customer request)	Cost

\$ 20.00
*Removed
\$ 50.00
*Removed
\$ 20.00
PER RULE
PER RULE
PER RULE
\$ 20.00
1.5%
\$ 10.00
1.5%
\$ 20.00
\$ 40.00
Cost

(a) \$ 5.00 minimum or 1.5% of unpaid balance whichever is greater.

* After hours service charge will apply when service requested by customer after hours.

ATTACHMENT 2

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Final Schedule A-1
Page 1
Witness: Bourassa

Line
No.

1	Fair Value Rate Base	\$	825,880
2			
3	Adjusted Operating Income		(74,514)
4			
5	Current Rate of Return		-9.02%
6			
7	Required Operating Income	\$	90,847
8			
9	Required Rate of Return		11.00%
10			
11	Operating Income Deficiency	\$	165,361
12			
13	Gross Revenue Conversion Factor		1.2021
14			
15	Increase in Gross Revenue		
16	Requirement	\$	198,773
17			
18	Adjusted Test Year Revenues	\$	119,464
19	Increase in Gross Revenue Revenue Requirement	\$	198,773
20	Proposed Revenue Requirement	\$	318,237
21	% Increase		166.39%
22			

		<u>Present</u>	<u>Proposed</u>	<u>Dollar</u>	<u>Percent</u>
	<u>Classification</u>	<u>Rates</u>	<u>Rates</u>	<u>Increase</u>	<u>Increase</u>
25	3/4 Inch Residential	\$ 92,479	\$ 278,339	\$ 185,860	200.98%
26	3/4 Inch Commercial	114	721	607	531.30%
27	2 Inch Commercial	23,698	35,120	11,421	48.19%
28				-	0.00%
29	Revenue Annualization	173	719	546	314.89%
30	Subtotal	\$ 116,465	\$ 314,899	\$ 198,434	170.38%
31					
32	Other Water Revenues	3,441	3,441	-	0.00%
33	Reconciling Amount	(442)	(103)	339	-76.70%
34	Rounding			-	0.00%
35	Total of Water Revenues	\$ 119,464	\$ 318,237	\$ 198,773	166.39%

SUPPORTING SCHEDULES:

39 B-1
40 C-1
41 C-3
42 H-1

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Summary of Rate Base

Exhibit
Final Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	Fair Value Rate Base
1			
2	Gross Utility Plant in Service	\$ 1,397,271	\$ 1,397,271
3	Less: Accumulated Depreciation	<u>455,064</u>	<u>455,064</u>
4			
5	Net Utility Plant in Service	\$ 942,207	\$ 942,207
6			
7	<u>Less:</u>		
8	Advances in Aid of Construction	-	-
9			
10	Contributions in Aid of Construction	197,973	197,973
11			
12	Accumulated Amortization of CIAC	(86,711)	(86,711)
13			
14	Customer Meter Deposits	5,065	5,065
15	Deferred Income Taxes & Credits	-	-
16			
17			
18			
19	<u>Plus:</u>		
20	Unamortized Finance		
21	Charges	-	-
22	Prepayments	-	-
23	Materials and Supplies	-	-
24	Allowance for Working Capital	-	-
25			
26			
27			
28	Total Rate Base	<u>\$ 825,880</u>	<u>\$ 825,880</u>
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43	<u>SUPPORTING SCHEDULES:</u>		
44	B-2		
45	B-3		
46	B-5		
47	E-1		
48			
49			
50			
51			
52			

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments

Exhibit
Final Schedule B-2
Page 1
Witness: Bourassa

Line No.		Adjusted at end of Test Year	Proforma Adjustment	Rebuttal Adjusted at end of Test Year
1	Gross Utility			
2	Plant in Service	\$ 1,397,271	-	\$ 1,397,271
3				
4	Less:			
5	Accumulated			
6	Depreciation	455,064	0	455,064
7				
8				
9	Net Utility Plant			
10	in Service	\$ 942,207		\$ 942,207
11				
12	Less:			
13	Advances in Aid of			
14	Construction	-	-	-
15				
16	Contributions in Aid of			
17	Construction - Gross	197,973	-	197,973
18				
19	Accumulated Amortization of CIAC	(86,711)	-	(86,711)
20				
21	Customer Meter Deposits	-	5,065	5,065
22	Accumulated Deferred Income Tax	-	-	-
23				-
24				-
25				
26	Plus:			
27	Unamortized Finance			
28	Charges	-	-	-
29	Prepayments	-	-	-
30	Materials and Supplies	-	-	-
31	Working capital	-	-	-
32				
33				
34	Total	<u>\$ 830,945</u>		<u>\$ 825,880</u>

SUPPORTING SCHEDULES:

B-2, pages 2

E-1

RECAP SCHEDULES:

B-1

Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments

Exhibit
Final Schedule B-2
Page 2
Witness: Bourassa

Line No.		Adjusted at end of Test Year	1 Plant-in- Service	Proforma Adjustments				5 Intentionally Left Blank	Rebuttal Adjusted at end of Test Year
				2 Accumulated Depreciation	3 CIAC	4 Customer Deposits			
1	Gross Utility								
2	Plant in Service	\$ 1,397,271	-						\$ 1,397,271
3									
4	Less:								
5	Accumulated								
6	Depreciation	455,064		0					455,064
7									
8									
9	Net Utility Plant								
10	in Service	\$ 942,207	\$ -	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ 942,207
11									
12	Less:								
13	Advances in Aid of								
14	Construction	-							-
15									
16	Contributions in Aid of								
17	Construction (CIAC)	197,973							197,973
18									
19	Accumulated Amort of CIAC	(86,711)			-				(86,711)
20									
21	Customer Meter Deposits	-				5,065			5,065
22	Accumulated Deferred Income Taxes	-							-
23									
24									
25	Plus:								
26	Unamortized Finance								
27	Charges	-							-
28	Prepayments	-							-
29	Materials and Supplies	-							-
30	Allowance for Cash Working Capital	-							-
31									
32	Total	\$ 830,945	\$ -	\$ (0)	\$ -	\$ (5,065)	\$ -	\$ -	\$ 825,880
33									
34									
35									

SUPPORTING SCHEDULES:
B-2, pages 3-5
E-1

RECAP SCHEDULES:
B-1

Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1

Exhibit
Final Schedule B-2
Page 3
Witness: Bourassa

Plant-in-Service

Line No.			A	B	Adjustments C	D	E	Rebuttal
			Adjusted	Adjustments				Adjusted
			Original	Required to	Intentionally	Intentionally	Intentionally	Original
			Cost	Reconcile to	Left	Left	Left	Cost
	No.	Description		Reconstruction	Blank	Blank	Blank	
5	351	Organization Cost	-	-	-	-	-	-
6	352	Franchise Cost	-	-	-	-	-	105,000
8	353	Land and Land Rights	105,000	-	-	-	-	56,350
9	354	Structures & Improvements	56,350	-	-	-	-	2,879
10	355	Power Generation Equipment	2,879	-	-	-	-	-
11	360	Collection Sewers - Force	-	-	-	-	-	260,553
12	361	Collection Sewers - Gravity	260,553	-	-	-	-	-
13	362	Special Collecting Structures	-	-	-	-	-	60,375
14	363	Servcies to Customers	60,375	-	-	-	-	-
15	364	Flow Measuring Devices	-	-	-	-	-	3,450
16	365	Flow Measuring Installations	-	-	-	-	-	-
17	366	Reuse Services	3,450	-	-	-	-	-
18	367	Reuse Meters and Meter Installation:	-	-	-	-	-	-
19	370	Receiving Wells	-	-	-	-	-	-
20	371	Pumping Equipment	-	-	-	-	-	-
21	374	Reuse Distribution Reservoirs	-	-	-	-	-	-
22	375	Reuse Transmission and Distributor	-	-	-	-	-	903,992
23	380	Treatment & Disposal Equipment	903,992	-	-	-	-	-
24	381	Plant Sewers	-	-	-	-	-	-
25	382	Outfall Sewer Lines	-	-	-	-	-	-
26	389	Other Plant & Misc Equipment	-	-	-	-	-	4,251
27	390	Office Furniture & Equipment	4,672	(421)	-	-	-	421
28	390.1	Computers & Software	-	421	-	-	-	-
29	391	Transportation Equipment	-	-	-	-	-	-
30	392	Stores Equipment	-	-	-	-	-	-
31	393	Tools, Shop & Garage Equipment	-	-	-	-	-	-
32	394	Laboratory Equipment	-	-	-	-	-	-
33	395	Power Operated Equipment	-	-	-	-	-	-
34	396	Communication Equipment	-	-	-	-	-	-
35	397	Miscellaneous Equipment	-	-	-	-	-	-
36	398	Other Tangible Plant	-	-	-	-	-	-
37		TOTALS	\$ 1,397,271	\$ (0)	\$ -	\$ -	\$ -	\$ 1,397,271
38								
39		Plant-in-Service per Books						\$ 1,397,271
40								
41		Increase (decrease) in Plant-in-Service						\$ -
42								
43		Adjustment to Plant-in-Service						\$ -
44								
45		SUPPORTING SCHEDULES						
46		B-2, pages 3.1						
47								

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1 -A

Exhibit
Final Schedule B-2
Page 3.1
Witness: Bourassa

Line

No.

1 Reconciliation to Reconstructed Plant-in-Service

2

3

Acct.		Adjusted Original Cost	Plant Per Reconstruction	Adjustment Required
No.	Description			
351	Organization Cost	-	-	-
352	Franchise Cost	-	-	-
353	Land and Land Rights	105,000	105,000	-
354	Structures & Improvements	56,350	56,350	-
355	Power Generation Equipment	2,879	2,879	-
360	Collection Sewers - Force	-	-	-
361	Collection Sewers - Gravity	260,553	260,553	-
362	Special Collecting Structures	-	-	-
363	Services to Customers	60,375	60,375	-
364	Flow Measuring Devices	-	-	-
365	Flow Measuring Installations	-	-	-
366	Reuse Services	3,450	3,450	-
367	Reuse Meters and Meter Installations	-	-	-
370	Receiving Wells	-	-	-
371	Pumping Equipment	-	-	-
374	Reuse Distribution Reservoirs	-	-	-
375	Reuse Transmission and Distribution	-	-	-
380	Treatment & Disposal Equipment	903,992	903,992	-
381	Plant Sewers	-	-	-
382	Outfall Sewer Lines	-	-	-
389	Other Plant & Misc Equipment	-	-	-
390	Office Furniture & Equipment	4,672	4,251	(421)
390.1	Computers & Software	-	421	421
391	Transportation Equipment	-	-	-
392	Stores Equipment	-	-	-
393	Tools, Shop & Garage Equipment	-	-	-
394	Laboratory Equipment	-	-	-
395	Power Operated Equipment	-	-	-
396	Communication Equipment	-	-	-
397	Miscellaneous Equipment	-	-	-
398	Other Tangible Plant	-	-	-
	TOTALS	\$ 1,397,271	\$ 1,397,271	\$ (0)

38

39

40 SUPPORTING SCHEDULE

41 B-2, pages 3.2 - 3.8

42

			Per Decision 70140			2006									
Line	NARUC Account		Allowed Deprec.	Plant at	Accum. Deprec. At	Plant Additions	Plant	Adjusted Plant	Plant Retirements	Retirement	Adjusted Plant	Salvage	Depreciation	Plant	Accum.
No	No	Description	Rate	12/31/2005	12/31/2006	(Per Books)	Adjustments	Additions	(Per Books)	Adjustments	Retirements	A/D Only	(Calculated)	Balance	Deprec.
1	351	Organization	0.00%	-	-			-			-		-	-	-
2	352	Franchise	0.00%	-	-			-			-		-	-	-
3	353	Land	0.00%	105,000				-			-			105,000	
4	354	Structures & Improvements	3.33%	56,350	2,815			-			-		1,876	56,350	4,691
5	355	Power Generation	5.00%	2,879	216			-			-		144	2,879	360
6	360	Collection Sewer Forced	2.00%	-	-			-			-		-	-	-
7	361	Collection Sewers Gravity	2.00%	260,553	7,817			-			-		5,211	260,553	13,028
8	362	Special Collecting Structures	2.00%	-	-			-			-		-	-	-
9	363	Customer Services	2.00%	60,375	1,811			-			-		1,208	60,375	3,018
10	364	Flow Measuring Devices	10.00%	-	-			-			-		-	-	-
10	365	Flow Measuring Installations	10.00%	-	-			-			-		-	-	-
10	366	Reuse Services	2.00%	3,450	518			-			-		69	3,450	587
12	367	Reuse Meters And Installation	8.33%	-	-			-			-		-	-	-
13	370	Receiving Wells	3.33%	-	-			-			-		-	-	-
14	371	Pumping Equipment	12.50%	-	-			-			-		-	-	-
15	374	Reuse Distribution Reservoirs	2.50%	-	-			-			-		-	-	-
16	375	Reuse Trans. and Dist. System	2.50%	-	-			-			-		-	-	-
17	380	Treatment & Disposal Equipment	5.00%	890,485	66,786			-			-		44,524	890,485	111,311
18	381	Plant Sewers	5.00%	-	-			-			-		-	-	-
19	382	Outfall Sewer Lines	3.33%	-	-			-			-		-	-	-
20	389	Other Sewer Plant & Equipment	6.67%	-	-			-			-		-	-	-
21	390	Office Furniture & Equipment	6.67%	-	-			-			-		-	-	-
22	390.1	Computers and Software	20.00%	-	-			-			-		-	-	-
23	391	Transportation Equipment	20.00%	-	-			-			-		-	-	-
24	392	Stores Equipment	4.00%	-	-			-			-		-	-	-
25	393	Tools, Shop And Garage Equip	5.00%	-	-			-			-		-	-	-
26	394	Laboratory Equip	10.00%	-	-			-			-		-	-	-
26	395	Power Operated Equipment	5.00%	-	-			-			-		-	-	-
26	396	Communication Equip	10.00%	-	-			-			-		-	-	-
26	397	Miscellaneous Equipment	10.00%	-	-			-			-		-	-	-
26	398	Other Tangible Plant	10.00%	-	-			-			-		-	-	-
29				-	-			-			-		-	-	-
30				-	-			-			-		-	-	-
31				-	-			-			-		-	-	-
32				-	-			-			-		-	-	-
33				-	-			-			-		-	-	-
34				-	-			-			-		-	-	-
35				-	-			-			-		-	-	-
36	TOTALS			1,379,092	79,962	-	-	-	-	-	-	-	53,032	1,379,092	132,995

NARUC			Allowed Deprec. Rate	2007									
Line	Account	Description		Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
No.	No.			(Per Books)	Adjustments	Additions	(Per Books)	Adjustments	Retirements	A/D Only	(Calculated)	Balance	Deprec.
1	351	Organization	0.00%	-	-	-	-	-	-	-	-	-	-
2	352	Franchise	0.00%	-	-	-	-	-	-	-	-	-	-
3	353	Land	0.00%	-	-	-	-	-	-	-	-	105,000	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-	-	1,876	56,350	6,568	-
5	355	Power Generation	5.00%	-	-	-	-	-	-	144	2,879	504	-
6	360	Collection Sewer Forced	2.00%	-	-	-	-	-	-	-	-	-	-
7	361	Collection Sewers Gravity	2.00%	-	-	-	-	-	-	5,211	260,553	18,239	-
8	362	Special Collecting Structures	2.00%	-	-	-	-	-	-	-	-	-	-
9	363	Customer Services	2.00%	-	-	-	-	-	-	1,208	60,375	4,226	-
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-	-	-	-	-	-
10	365	Flow Measuring Installations	10.00%	-	-	-	-	-	-	-	-	-	-
10	366	Reuse Services	2.00%	-	-	-	-	-	-	69	3,450	656	-
12	367	Reuse Meters And Installation	8.33%	-	-	-	-	-	-	-	-	-	-
13	370	Receiving Wells	3.33%	-	-	-	-	-	-	-	-	-	-
14	371	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-	-
15	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-
16	375	Reuse Trans. and Dist. System	2.50%	-	-	-	-	-	-	-	-	-	-
17	380	Treatment & Disposal Equipment	5.00%	-	-	-	-	-	-	44,524	890,485	155,835	-
18	381	Plant Sewers	5.00%	-	-	-	-	-	-	-	-	-	-
19	382	Outfall Sewer Lines	3.33%	-	-	-	-	-	-	-	-	-	-
20	388	Other Sewer Plant & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
21	390	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
22	390.1	Computers and Software	20.00%	-	-	-	-	-	-	-	-	-	-
23	391	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
24	392	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
25	393	Tools, Shop And Garage Equip	5.00%	-	-	-	-	-	-	-	-	-	-
26	394	Laboratory Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	395	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
26	396	Communication Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	397	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
26	398	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-
29				-	-	-	-	-	-	-	-	-	-
30				-	-	-	-	-	-	-	-	-	-
31				-	-	-	-	-	-	-	-	-	-
32				-	-	-	-	-	-	-	-	-	-
33				-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-
35				-	-	-	-	-	-	-	-	-	-
36		TOTALS		-	-	-	-	-	-	-	53,032	1,379,092	186,027

			2008										
Line	NARUC Account		Allowed Deprec. Rate	Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
No.	No.	Description											
1	351	Organization	0.00%	-	-	-	-	-	-	-	-	-	-
2	352	Franchise	0.00%	-	-	-	-	-	-	-	-	-	-
3	353	Land	0.00%	-	-	-	-	-	-	-	-	105,000	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-	-	1,876	56,350	8,444	8,444
5	355	Power Generation	5.00%	-	-	-	-	-	-	144	2,879	648	648
6	360	Collection Sewer Forced	2.00%	-	-	-	-	-	-	-	-	-	-
7	361	Collection Sewers Gravity	2.00%	-	-	-	-	-	-	5,211	260,553	23,450	23,450
8	362	Special Collecting Structures	2.00%	-	-	-	-	-	-	-	-	-	-
9	363	Customer Services	2.00%	-	-	-	-	-	-	1,208	60,375	5,434	5,434
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-	-	-	-	-	-
10	365	Flow Measuring Installations	10.00%	-	-	-	-	-	-	-	-	-	-
10	366	Reuse Services	2.00%	-	-	-	-	-	-	69	3,450	725	725
12	367	Reuse Meters And Installation	8.33%	-	-	-	-	-	-	-	-	-	-
13	370	Receiving Wells	3.33%	-	-	-	-	-	-	-	-	-	-
14	371	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-	-
15	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-
16	375	Reuse Trans. and Dist. System	2.50%	-	-	-	-	-	-	-	-	-	-
17	380	Treatment & Disposal Equipment	5.00%	13,507	-	13,507	-	-	-	44,662	903,992	200,697	200,697
18	381	Plant Sewers	5.00%	-	-	-	-	-	-	-	-	-	-
19	382	Outfall Sewer Lines	3.33%	-	-	-	-	-	-	-	-	-	-
20	389	Other Sewer Plant & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
21	390	Office Furniture & Equipment	6.67%	2,552	-	2,552	-	-	-	85	2,552	85	85
22	390.1	Computers and Software	20.00%	-	-	-	-	-	-	-	-	-	-
23	391	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
24	392	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
25	393	Tools, Shop And Garage Equip	5.00%	-	-	-	-	-	-	-	-	-	-
26	394	Laboratory Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	395	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
26	396	Communication Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	397	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
26	398	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-
29				-	-	-	-	-	-	-	-	-	-
30				-	-	-	-	-	-	-	-	-	-
31				-	-	-	-	-	-	-	-	-	-
32				-	-	-	-	-	-	-	-	-	-
33				-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-
35				-	-	-	-	-	-	-	-	-	-
36		TOTALS		16,059	-	16,059	-	-	-	-	53,455	1,395,151	239,482

			2009									
Line	NARUC Account	Allowed Deprec. Rate	Plant Additions (Per Books)	Plant Adjustments ¹	Adjusted Plant Additions	Plant Retirements (Per Books)	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
No.	No.	Description										
1	351	Organization	0.00%	-	-	-	-	-	-	-	-	-
2	352	Franchise	0.00%	-	-	-	-	-	-	-	-	-
3	353	Land	0.00%	-	-	-	-	-	-	-	105,000	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-	1,876	58,350	-	10,321
5	355	Power Generation	5.00%	-	-	-	-	-	144	2,879	-	792
6	360	Collection Sewer Forced	2.00%	-	-	-	-	-	-	-	-	-
7	361	Collection Sewers Gravity	2.00%	-	-	-	-	-	5,211	260,553	-	28,861
8	362	Special Collecting Structures	2.00%	-	-	-	-	-	-	-	-	-
9	363	Customer Services	2.00%	-	-	-	-	-	1,208	60,375	-	6,641
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-	-	-	-	-
10	365	Flow Measuring Installations	10.00%	-	-	-	-	-	-	-	-	-
10	366	Reuse Services	2.00%	-	-	-	-	-	69	3,450	-	794
12	367	Reuse Meters And Installation	8.33%	-	-	-	-	-	-	-	-	-
13	370	Receiving Wells	3.33%	-	-	-	-	-	-	-	-	-
14	371	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-
15	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	-	-	-	-	-
16	375	Reuse Trans. and Dist. System	2.50%	-	-	-	-	-	-	-	-	-
17	380	Treatment & Disposal Equipment	5.00%	-	-	-	-	-	45,200	903,992	-	245,896
18	381	Plant Sewers	5.00%	-	-	-	-	-	-	-	-	-
19	382	Outfall Sewer Lines	3.33%	-	-	-	-	-	-	-	-	-
20	389	Other Sewer Plant & Equipment	6.67%	-	-	-	-	-	-	-	-	-
21	390	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	-	-
22	390.1	Computers and Software	20.00%	-	-	-	-	-	170	2,552	-	255
23	391	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-
24	392	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-
25	393	Tools, Shop And Garage Equip	5.00%	-	-	-	-	-	-	-	-	-
26	394	Laboratory Equip	10.00%	-	-	-	-	-	-	-	-	-
26	395	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-
26	396	Communication Equip	10.00%	-	-	-	-	-	-	-	-	-
26	397	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-
26	398	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-
29				-	-	-	-	-	-	-	-	-
30				-	-	-	-	-	-	-	-	-
31				-	-	-	-	-	-	-	-	-
32				-	-	-	-	-	-	-	-	-
33				-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-
35				-	-	-	-	-	-	-	-	-
36		TOTALS		-	-	-	-	-	-	53,678	1,395,151	293,360

			2010										
Line	NARUC Account		Allowed Deprec. Rate	Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
No.	No.	Description	Rate										
1	351	Organization	0.00%	-	-	-	-	-	-	-	-	-	-
2	352	Franchise	0.00%	-	-	-	-	-	-	-	-	-	-
3	353	Land	0.00%	-	-	-	-	-	-	-	-	105,000	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-	-	-	1,876	56,350	12,197
5	355	Power Generation	5.00%	-	-	-	-	-	-	-	144	2,879	936
6	360	Collection Sewer Forced	2.00%	-	-	-	-	-	-	-	-	-	-
7	361	Collection Sewers Gravity	2.00%	-	-	-	-	-	-	-	5,211	260,553	33,872
8	362	Special Collecting Structures	2.00%	-	-	-	-	-	-	-	-	-	-
9	363	Customer Services	2.00%	-	-	-	-	-	-	-	1,206	60,375	7,849
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-	-	-	-	-	-
10	365	Flow Measuring Installations	10.00%	-	-	-	-	-	-	-	-	-	-
10	366	Reuse Services	2.00%	-	-	-	-	-	-	-	69	3,450	863
12	367	Reuse Meters And Installation	8.33%	-	-	-	-	-	-	-	-	-	-
13	370	Receiving Wells	3.33%	-	-	-	-	-	-	-	-	-	-
14	371	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-	-
15	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-
16	375	Reuse Trans. and Dist. System	2.50%	-	-	-	-	-	-	-	-	-	-
17	380	Treatment & Disposal Equipment	5.00%	-	-	-	-	-	-	-	45,200	903,992	291,096
18	381	Plant Sewers	5.00%	-	-	-	-	-	-	-	-	-	-
19	382	Outfall Sewer Lines	3.33%	-	-	-	-	-	-	-	-	-	-
20	389	Other Sewer Plant & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
21	390	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	170	2,552	426
22	390.1	Computers and Software	20.00%	-	-	-	-	-	-	-	-	-	-
23	391	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
24	392	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
25	393	Tools, Shop And Garage Equip	5.00%	-	-	-	-	-	-	-	-	-	-
26	394	Laboratory Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	395	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
26	396	Communication Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	397	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
26	398	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-
29				-	-	-	-	-	-	-	-	-	-
30				-	-	-	-	-	-	-	-	-	-
31				-	-	-	-	-	-	-	-	-	-
32				-	-	-	-	-	-	-	-	-	-
33				-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-
35				-	-	-	-	-	-	-	-	-	-
36		TOTALS		-	-	-	-	-	-	-	53,878	1,395,151	347,237

NARUC			Allowed Deprec. Rate	2011									
Line	Account	Description		Plant Additions (Per Books)	Plant Adjustments	Adjusted Plant Additions	Plant Retirements (Per Books)	Retirement Adjustments	Adjusted Plant Retirements	Salvage A/D Only	Depreciation (Calculated)	Plant Balance	Accum. Deprec.
No.	No.			Per Books	Adjustments	Additions	Per Books	Adjustments	Retirements	Salvage	Depreciation	Plant	Accum.
1	351	Organization	0.00%	-	-	-	-	-	-	-	-	-	-
2	352	Franchise	0.00%	-	-	-	-	-	-	-	-	-	-
3	353	Land	0.00%	-	-	-	-	-	-	-	-	105,000	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-	-	1,876	56,350	14,073	-
5	355	Power Generation	5.00%	-	-	-	-	-	-	144	2,879	1,080	-
6	360	Collection Sewer Forced	2.00%	-	-	-	-	-	-	-	-	-	-
7	361	Collection Sewers Gravity	2.00%	-	-	-	-	-	-	5,211	260,553	39,083	-
8	362	Special Collecting Structures	2.00%	-	-	-	-	-	-	-	-	-	-
9	363	Customer Services	2.00%	-	-	-	-	-	-	1,208	60,375	9,056	-
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-	-	-	-	-	-
10	365	Flow Measuring Installations	10.00%	-	-	-	-	-	-	-	-	-	-
10	366	Reuse Services	2.00%	-	-	-	-	-	-	69	3,450	932	-
12	367	Reuse Meters And Installation	8.33%	-	-	-	-	-	-	-	-	-	-
13	370	Receiving Wells	3.33%	-	-	-	-	-	-	-	-	-	-
14	371	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-	-
15	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-
16	375	Reuse Trans. and Dist. System	2.50%	-	-	-	-	-	-	-	-	-	-
17	380	Treatment & Disposal Equipment	5.00%	-	-	-	-	-	-	45,200	903,992	336,296	-
18	381	Plant Sewers	5.00%	-	-	-	-	-	-	-	-	-	-
19	382	Outfall Sewer Lines	3.33%	-	-	-	-	-	-	-	-	-	-
20	389	Other Sewer Plant & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
21	390	Office Furniture & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
22	390.1	Computers and Software	20.00%	-	-	-	-	-	-	170	2,552	596	-
23	391	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
24	392	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
25	393	Tools, Shop And Garage Equip	5.00%	-	-	-	-	-	-	-	-	-	-
26	394	Laboratory Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	395	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
26	396	Communication Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	397	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
26	398	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-
29				-	-	-	-	-	-	-	-	-	-
30				-	-	-	-	-	-	-	-	-	-
31				-	-	-	-	-	-	-	-	-	-
32				-	-	-	-	-	-	-	-	-	-
33				-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-
35				-	-	-	-	-	-	-	-	-	-
36		TOTALS		-	-	-	-	-	-	-	53,878	1,395,151	401,115

				2012									
Line	NARUC Account		Allowed Deprec	Plant Additions	Plant	Adjusted Plant	Plant Retirements	Retirement	Adjusted Plant	Salvage	Depreciation	Plant	Accum
No.	No.	Description	Rate	(Per Books)	Adjustments	Additions	(Per Books)	Adjustments	Retirements	A/D Only	(Calculated)	Balance	Deprec.
1	351	Organization	0.00%	-	-	-	-	-	-	-	-	-	-
2	352	Franchise	0.00%	-	-	-	-	-	-	-	-	-	-
3	353	Land	0.00%	-	-	-	-	-	-	-	-	105,000	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-	-	-	1,876	56,350	15,950
5	355	Power Generation	5.00%	-	-	-	-	-	-	-	144	2,879	1,224
6	360	Collection Sewer Forced	2.00%	-	-	-	-	-	-	-	-	-	-
7	361	Collection Sewers Gravity	2.00%	-	-	-	-	-	-	-	5,211	260,553	44,294
8	362	Special Collecting Structures	2.00%	-	-	-	-	-	-	-	-	-	-
9	363	Customer Services	2.00%	-	-	-	-	-	-	-	1,208	60,375	10,264
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-	-	-	-	-	-
10	365	Flow Measuring Installations	10.00%	-	-	-	-	-	-	-	-	-	-
10	366	Reuse Services	2.00%	-	-	-	-	-	-	-	69	3,450	1,001
12	367	Reuse Meters And Installation	8.33%	-	-	-	-	-	-	-	-	-	-
13	370	Receiving Wells	3.33%	-	-	-	-	-	-	-	-	-	-
14	371	Pumping Equipment	12.50%	-	-	-	-	-	-	-	-	-	-
15	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	-	-	-	-	-	-
16	375	Reuse Trans. and Dist. System	2.50%	-	-	-	-	-	-	-	-	-	-
17	380	Treatment & Disposal Equipment	5.00%	-	-	-	-	-	-	-	45,200	903,992	381,495
18	381	Plant Sewers	5.00%	-	-	-	-	-	-	-	-	-	-
19	382	Outfall Sewer Lines	3.33%	-	-	-	-	-	-	-	-	-	-
20	389	Other Sewer Plant & Equipment	6.67%	-	-	-	-	-	-	-	-	-	-
21	390	Office Furniture & Equipment	6.67%	1,698	-	1,698	-	-	-	14	227	4,251	837
22	390.1	Computers and Software	20.00%	421	-	421	-	-	-	(42)	42	421	0
23	391	Transportation Equipment	20.00%	-	-	-	-	-	-	-	-	-	-
24	392	Stores Equipment	4.00%	-	-	-	-	-	-	-	-	-	-
25	393	Tools, Shop And Garage Equip	5.00%	-	-	-	-	-	-	-	-	-	-
26	394	Laboratory Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	395	Power Operated Equipment	5.00%	-	-	-	-	-	-	-	-	-	-
26	396	Communication Equip	10.00%	-	-	-	-	-	-	-	-	-	-
26	397	Miscellaneous Equipment	10.00%	-	-	-	-	-	-	-	-	-	-
26	398	Other Tangible Plant	10.00%	-	-	-	-	-	-	-	-	-	-
29				-	-	-	-	-	-	-	-	-	-
30				-	-	-	-	-	-	-	-	-	-
31				-	-	-	-	-	-	-	-	-	-
32				-	-	-	-	-	-	-	-	-	-
33				-	-	-	-	-	-	-	-	-	-
34				-	-	-	-	-	-	-	-	-	-
35				-	-	-	-	-	-	-	-	-	-
36		TOTALS		2,119	-	2,119	-	-	-	(28)	53,977	1,397,271	455,064

Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2

Exhibit
Final Schedule B-2
Page 4
Witness: Bourassa

Accumulated Depreciation

Line No.			<u>A</u>	<u>B</u>	<u>Adjustments</u> <u>C</u>	<u>D</u>	<u>E</u>	
		Adjusted	Adjustments	Intentionally	Intentionally	Intentionally	Intentionally	Adjusted
	Acc't.	Accum.	Required to	Left	Left	Left	Left	Accum.
	No. Description	Depr.	Reconstruction	Blank	Blank	Blank	Blank	Depr.
5	351 Organization Cost	-	-	-	-	-	-	-
6	352 Franchise Cost	-	-	-	-	-	-	-
7	353 Land and Land Rights	-	-	-	-	-	-	-
8	354 Structures & Improvements	15,950	-	-	-	-	-	15,950
9	355 Power Generation Equipment	1,224	-	-	-	-	-	1,224
10	360 Collection Sewers - Force	-	-	-	-	-	-	-
11	361 Collection Sewers - Gravity	44,294	-	-	-	-	-	44,294
12	362 Special Collecting Structures	-	-	-	-	-	-	-
13	363 Services to Customers	10,264	-	-	-	-	-	10,264
14	364 Flow Measuring Devices	-	-	-	-	-	-	-
15	365 Flow Measuring Installations	-	-	-	-	-	-	-
16	366 Reuse Services	1,001	-	-	-	-	-	1,001
17	367 Reuse Meters and Meter Installations	-	-	-	-	-	-	-
18	370 Receiving Wells	-	-	-	-	-	-	-
19	371 Pumping Equipment	-	-	-	-	-	-	-
20	374 Reuse Distribution Reservoirs	-	-	-	-	-	-	-
21	375 Reuse Transmission and Distribution	-	-	-	-	-	-	-
22	380 Treatment & Disposal Equipment	381,495	-	-	-	-	-	381,495
23	381 Plant Sewers	-	-	-	-	-	-	-
24	382 Outfall Sewer Lines	-	-	-	-	-	-	-
25	389 Other Plant & Misc Equipment	-	-	-	-	-	-	-
26	390 Office Furniture & Equipment	837	(0)	-	-	-	-	837
27	390.1 Computers & Software	-	0	-	-	-	-	0
28	391 Transportation Equipment	-	-	-	-	-	-	-
29	392 Stores Equipment	-	-	-	-	-	-	-
30	393 Tools, Shop & Garage Equipment	-	-	-	-	-	-	-
31	394 Laboratory Equipment	-	-	-	-	-	-	-
32	395 Power Operated Equipment	-	-	-	-	-	-	-
33	396 Communication Equipment	-	-	-	-	-	-	-
34	397 Miscellaneous Equipment	-	-	-	-	-	-	-
35	398 Other Tangible Plant	-	-	-	-	-	-	-
36	TOTALS	\$ 455,064	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ 455,064
37								
38	Accumulated Depreciation per Books							\$ 455,064
39								
40	Increase (decrease) in Accumulated Depreciation							\$ 0
41								
42	Adjustment to Accumulated Depreciation							\$ 0
43								
44	<u>SUPPORTING SCHEDULES</u>							
45	B-2, pages 4, 1							
46								
47								

Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2 -A

Exhibit
Final Schedule B-2
Page 4.1
Witness: Bourassa

Line

No.

1	<u>Reconciliation to Reconstructed Accumulated Depreciation</u>				
2					
3			Accumulated		
4	Acct.		Accumulated	Depreciation	Adjustment
5	No.	Description	Depreciation	Per Plant	Required
6	351	Organization Cost	-	-	-
7	352	Franchise Cost	-	-	-
8	353	Land and Land Rights	-	-	-
9	354	Structures & Improvements	15,950	15,950	-
10	355	Power Generation Equipment	1,224	1,224	-
11	360	Collection Sewers - Force	-	-	-
12	361	Collection Sewers - Gravity	44,294	44,294	-
13	362	Special Collecting Structures	-	-	-
14	363	Services to Customers	10,264	10,264	-
15	364	Flow Measuring Devices	-	-	-
16	365	Flow Measuring Installations	-	-	-
17	366	Reuse Services	1,001	1,001	-
18	367	Reuse Meters and Meter Installations	-	-	-
19	370	Receiving Wells	-	-	-
20	371	Pumping Equipment	-	-	-
21	374	Reuse Distribution Reservoirs	-	-	-
22	375	Reuse Transmission and Distribution	-	-	-
23	380	Treatment & Disposal Equipment	381,495	381,495	-
24	381	Plant Sewers	-	-	-
25	382	Outfall Sewer Lines	-	-	-
26	389	Other Plant & Misc Equipment	-	-	-
27	390	Office Furniture & Equipment	837	837	(0)
28	390.1	Computers & Software	-	0	0
29	391	Transportation Equipment	-	-	-
30	392	Stores Equipment	-	-	-
31	393	Tools, Shop & Garage Equipment	-	-	-
32	394	Laboratory Equipment	-	-	-
33	395	Power Operated Equipment	-	-	-
34	396	Communication Equipment	-	-	-
35	397	Miscellaneous Equipment	-	-	-
36	398	Other Tangible Plant	-	-	-
37		TOTALS	\$ 455,064	\$ 455,064	\$ 0

38

39

40 SUPPORTING SCHEDULE

41 B-2, pages 3.2 - 3.8

42

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment 3

Exhibit
Final Schedule B-2
Page 5.0
Witness: Bourassa

Contributions-in-Aid of Construction (CIAC) and Accumulated Amortization

Line

No.

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Recommended balance at end of test year

Gross
CIAC
\$ 197,973

Accumulated
Amortization
\$ 86,711

Adjusted balance at end of test year

\$ 197,973

\$ 86,711

Increase (decrease)

\$ -

\$ -

Adjustment to CIAC/AA CIAC

\$ -

\$ -

Label

3a

3b

SUPPORTING SCHEDULES

E-1

B-2, page 5.1

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Original Cost Rate Base Proforma Adjustments
Adjustment 4
Customer Deposits

Exhibit
Final Schedule B-2
Page 6
Witness: Bourassa

Line
No.

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Staff recommended balance

\$ 5,065

Book balance at end of test year

\$ -

Increase (decrease)

\$ 5,065

SUPPORTING SCHEDULES

Testimony

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Computation of Working Capital

Exhibit
Final Schedule B-5
Page 1
Witness: Bourassa

Line
No.

1	Cash Working Capital (1/8 of Allowance		
2	Operation and Maintenance Expense)	\$	14,884
3	Pumping Power (1/24 of Pumping Power)		1,084
4	Purchased Water (1/24 of Purchased Water)		527
5	Prepaid Expenses		
6			
7			
8			
9	Total Working Capital Allowance	\$	16,495
10			
11			
12	Working Capital Requested	\$	-
13			
14			
15			
16			
17		<u>Adjusted Test Year</u>	
18	Total Operating Expense	\$	193,978
19	Less:		
20	Income Tax	\$	(13,954)
21	Property Tax		4,401
22	Depreciation		45,791
23	Purchased Water		12,659
24	Pumping Power		26,006
25	Allowable Expenses	\$	119,075
26	1/8 of allowable expenses	\$	14,884
27			

28
29 SUPPORTING SCHEDULES:
30 E-1

RECAP SCHEDULES:
B-1

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Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Income Statement

Exhibit
Final Schedule C-1
Page 1
Witness: Bourassa

Line No.		Test Year Adjusted Results	Adjustment	Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1	Revenues					
2	Flat Rate Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
3	Unmetered Water Revenues	116,023	-	116,023	198,773	314,796
4	Other Water Revenues	5,261	(1,820)	3,441	-	3,441
5		<u>\$ 121,284</u>	<u>\$ (1,820)</u>	<u>\$ 119,464</u>	<u>\$ 198,773</u>	<u>\$ 318,237</u>
6	Operating Expenses					
7	Salaries and Wages	\$ -	-	\$ -	-	\$ -
8	Purchased Water	-	-	-	-	-
9	Purchased Power	26,213	(207)	26,006	-	26,006
10	Sludge Removal	12,659	-	12,659	-	12,659
11	Chemicals	5,400	-	5,400	-	5,400
12	Materials and Supplies	7,187	-	7,187	-	7,187
13	Office Supplies and Expense	2,446	-	2,446	-	2,446
14	Contractual Services - Accounting	20,135	-	20,135	-	20,135
15	Contractual Services - Professional	1,920	-	1,920	-	1,920
16	Contractual Services - Maintenance	-	-	-	-	-
17	Contractual Services - Other	46,650	-	46,650	-	46,650
18	Water Testing	5,669	8,858	14,527	-	14,527
19	Rents	-	3,484	3,484	-	3,484
20	Transportation Expenses	3,250	-	3,250	-	3,250
21	Insurance - General Liability	2,186	-	2,186	-	2,186
22	Insurance - Health and Life	-	-	-	-	-
23	Reg. Comm. Exp. - Other	-	-	-	-	-
24	Reg. Comm. Exp. - Rate Case	10,000	-	10,000	-	10,000
25	Miscellaneous Expense	13,152	(11,261)	1,891	-	1,891
26	Bad Debt Expense	-	-	-	-	-
27	Depreciation and Amortization Expense	45,744	48	45,791	-	45,791
28	Taxes Other Than Income	-	-	-	-	-
29	Property Taxes	4,476	(75)	4,401	2,445	6,846
30	Income Tax	(13,545)	(409)	(13,954)	30,967	17,013
31			-	-	-	-
32	Total Operating Expenses	<u>\$ 193,541</u>	<u>\$ 437</u>	<u>\$ 193,978</u>	<u>\$ 33,412</u>	<u>\$ 227,390</u>
33	Operating Income	<u>\$ (72,257)</u>	<u>\$ (2,257)</u>	<u>\$ (74,514)</u>	<u>\$ 165,361</u>	<u>\$ 90,847</u>
34	Other Income (Expense)					
35	Interest Income	-	-	-	-	-
36	Other income	-	-	-	-	-
37	Interest Expense	-	-	-	-	-
38	Other Expense	-	-	-	-	-
39		-	-	-	-	-
40	Total Other Income (Expense)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
41	Net Profit (Loss)	<u>\$ (72,257)</u>	<u>\$ (2,257)</u>	<u>\$ (74,514)</u>	<u>\$ 165,361</u>	<u>\$ 90,847</u>

SUPPORTING SCHEDULES:

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RECAP SCHEDULES:

A-1

Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Income Statement

Exhibit
Final Schedule C-1
Page 2.1
Witness: Bourassa

Line No.	LABEL>>>>>	1 Test Year Adjusted Results	2 Depreciation	3 Property Taxes	4 Rate Case Expense	5 Revenue Adjustment	6 Water Testing	7 Misc (Auto) Expense	8 Telephone Expense
1	Revenues								
2	Flat Rate Revenues	\$ -							
3	Measured Revenues	116,023							
4	Other Water Revenues	5,261				(1,820)			
5		\$ 121,284	\$ -	\$ -	\$ -	\$ (1,820)	\$ -	\$ -	\$ -
6	Operating Expenses								
7	Salaries and Wages	\$ -							
8	Purchased Water	-							
9	Purchased Power	26,213							
10	Sludge Removal	12,659							
11	Chemicals	5,400							
12	Materials and Supplies	7,187							
13	Office Supplies and Expense	2,446							
14	Contractual Services - Accounting	20,135							
15	Contractual Services - Professional	1,920							
16	Contractual Services - Maintenance	-							
17	Contractual Services - Other	46,650							
18	Water Testing	5,689					8,858		
19	Rents	-							
20	Transportation Expenses	3,250							
21	Insurance - General Liability	2,186							
22	Insurance - Health and Life	-							
23	Reg. Comm. Exp. - Other	-							
24	Reg. Comm. Exp. - Rate Case	10,000							
25	Miscellaneous Expense	13,152						(1,750)	(2,366)
26	Bad Debt Expense	-							
27	Deprec. and Amort. Exp.	45,744	48						
28	Taxes Other Than Income	-							
29	Property Taxes	4,476		(75)					
30	Income Tax	(13,545)							
31									
32	Total Operating Expenses	\$ 193,541	\$ 48	\$ (75)	\$ -	\$ -	\$ 8,858	\$ (1,750)	\$ (2,366)
33	Operating Income	\$ (72,257)	\$ (48)	\$ 75	\$ -	\$ (1,820)	\$ (8,858)	\$ 1,750	\$ 2,366
34	Other Income (Expense)								
35	Interest Income	-							
36	Other Income	-							
37	Interest Expense	-							
38	Other Expense	-							
39									
40	Total Other Income (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41	Net Profit (Loss)	\$ (72,257)	\$ (48)	\$ 75	\$ -	\$ (1,820)	\$ (8,858)	\$ 1,750	\$ 2,366
42									
43	SUPPORTING SCHEDULES:								
44	C-2								
45	E-2								

Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Income Statement

Exhibit
Final Schedule C-1
Page 2.2
Witness: Bourassa

Line No.	8 Purchased Power	9 Rent Expense	10 Removal of Misc Expense	11 Income Taxes	Test Year Adjusted Results	Proposed Rate Increase	Adjusted with Rate Increase
1 Revenues							
2 Flat Rate Revenues					\$ -	\$ -	\$ -
3 Measured Revenues					116,023	198,773	314,796
4 Other Water Revenues					3,441		3,441
5	\$ -	\$ -	\$ -	\$ -	\$ 119,464	\$ 198,773	\$ 318,237
6 Operating Expenses							
7 Salaries and Wages					\$ -	\$ -	\$ -
8 Purchased Water	(207)				26,006		26,006
9 Sludge Removal					12,659		12,659
10 Chemicals					5,400		5,400
11 Materials and Supplies					7,187		7,187
12 Office Supplies and Expense					2,446		2,446
13 Contractual Services - Accounting					20,135		20,135
14 Contractual Services - Professional					1,920		1,920
15 Contractual Services - Maintenance					-		-
16 Contractual Services - Other					46,650		46,650
17 Water Testing					14,527		14,527
18 Rents		3,484			3,484		3,484
19 Transportation Expenses					3,250		3,250
20 Insurance - General Liability					2,186		2,186
21 Insurance - Health and Life					-		-
22 Reg. Comm. Exp. - Other					-		-
23 Reg. Comm. Exp. - Rate Case					10,000		10,000
24 Miscellaneous Expense			(7,145)		1,891		1,891
25 Bad Debt Expense					-		-
26 Deprec. and Amort. Exp.					45,791		45,791
27 Taxes Other Than Income					-		-
28 Property Taxes					4,401	2,445	6,846
29 Income Tax				(409)	(13,954)	30,967	17,013
30							
31							
32 Total Operating Expenses	\$ (207)	\$ 3,484	\$ (7,145)	\$ (409)	\$ 193,978	\$ 33,412	\$ 227,390
33 Operating Income	\$ 207	\$ (3,484)	\$ 7,145	\$ 409	\$ (74,514)	\$ 165,361	\$ 90,847
34 Other Income (Expense)							
35 Interest Income					-		-
36 Other Income					-		-
37 Interest Expense					-		-
38 Other Expense					-		-
39							
40 Total Other Income (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41 Net Profit (Loss)	\$ 207	\$ (3,484)	\$ 7,145	\$ 409	\$ (74,514)	\$ 165,361	\$ 90,847
42							
43 SUPPORTING SCHEDULES:							
44 C-2							
45 E-2							

RECAP SCHEDULES:
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Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustments to Revenues and Expenses

Exhibit
Final Schedule C-2
Page 1
Witness: Bourassa

Line No.	<u>Adjustments to Revenues and Expenses</u>						
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>Subtotal</u>
	Depreciation Expense	Property Taxes	Rate Case Expense	Revenue Adjustment	Water Testing	Auto Expense	
Revenues	-	-	-	(1,820)	-	-	(1,820)
Expenses	48	(75)	-	-	8,858	(1,750)	7,081
Operating Income	(48)	75	-	(1,820)	(8,858)	1,750	(8,901)
Interest Expense						-	-
Other Income / Expense							-
Net Income	(48)	75	-	(1,820)	(8,858)	1,750	(8,901)

	<u>Adjustments to Revenues and Expenses</u>					
	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>Subtotal</u>
	Telephone Expense	Purchased Power	Rent Expense	Removal of Misc Expense	Income Taxes	
Revenues	-	-	-	-	-	(1,820)
Expenses	(2,366)	(207)	3,484	(7,145)	(409)	437
Operating Income	2,366	207	(3,484)	7,145	409	(2,257)
Interest Expense						-
Other Income / Expense						-
Net Income	2,366	207	(3,484)	7,145	409	(2,257)

Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Final Schedule C-2
Page 2
Witness: Bourassa

Depreciation Expense

Line No.	Acct. No.	Description	Original Cost	Non-depreciable/ Fully Depreciated	Adjusted Original Cost	Proposed Rates	Depreciation Expense
1							
2							
3							
4	351	Organization Cost	-	-	-	0.00%	-
5	352	Franchise Cost	-	-	-	0.00%	-
6	353	Land and Land Rights	105,000	(105,000)	-	0.00%	-
7	354	Structures & Improvements	56,350	-	56,350	3.33%	1,876
8	355	Power Generation Equipment	2,879	-	2,879	5.00%	144
9	360	Collection Sewers - Force	-	-	-	2.00%	-
10	361	Collection Sewers - Gravity	260,553	-	260,553	2.00%	5,211
11	362	Special Collecting Structures	-	-	-	2.00%	-
12	363	Servcies to Customers	60,375	-	60,375	2.00%	1,208
13	364	Flow Measuring Devices	-	-	-	10.00%	-
14	365	Flow Measuring Installations	-	-	-	10.00%	-
15	366	Reuse Services	3,450	-	3,450	2.00%	69
16	367	Reuse Meters and Meter Installations	-	-	-	8.33%	-
17	370	Receiving Wells	-	-	-	3.57%	-
18	371	Pumping Equipment	-	-	-	10.00%	-
19	374	Reuse Distribution Reservoirs	-	-	-	2.50%	-
20	375	Reuse Transmission and Distribution	-	-	-	2.00%	-
21	380	Treatment & Disposal Equipment	903,992	-	903,992	5.00%	45,200
22	381	Plant Sewers	-	-	-	5.00%	-
23	382	Outfall Sewer Lines	-	-	-	3.33%	-
24	389	Other Plant & Misc Equipment	-	-	-	6.67%	-
25	390	Office Furniture & Equipment	4,251	-	4,251	6.67%	284
26	390.1	Computers & Software	421	-	421	20.00%	84
27	391	Transportation Equipment	-	-	-	20.00%	-
28	392	Stores Equipment	-	-	-	4.00%	-
29	393	Tools, Shop & Garage Equipment	-	-	-	10.00%	-
30	394	Laboratory Equipment	-	-	-	10.00%	-
31	395	Power Operated Equipment	-	-	-	5.00%	-
32	396	Communication Equipment	-	-	-	10.00%	-
33	397	Miscellaneous Equipment	-	-	-	10.00%	-
34	398	Other Tangible Plant	-	-	-	10.00%	-
35							
36							
37							
38						10.00%	-
39		TOTALS	\$ 1,397,271	\$ (105,000)	\$ 1,292,271		\$ 54,075
40							
41							
42					Gross CIAC	Amort. Rate	
43		Less: Amortization of Contributions			\$ 197,973	4.1845%	\$ (8,284)
44		Total Depreciation Expense					\$ 45,791
45		Adjusted Test Year Depreciation Expense					45,744
46							
47		Increase (decrease) in Depreciation Expense					48
48							
49		Adjustment to Revenues and/or Expenses					\$ 48
50							

51 SUPPORTING SCHEDULE

52 B-2, page 3

*Fully Depreciated

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 2

Exhibit
Final Schedule C-2
Page 3
Witness: Bourassa

Property Taxes

Line No.	DESCRIPTION	Test Year as adjusted	Company Recommended
1	Company Adjusted Test Year Revenues	\$ 119,464	\$ 119,464
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	238,928	238,928
4	Company Recommended Revenue	119,464	318,237
5	Subtotal (Line 4 + Line 5)	358,391	557,165
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	119,464	185,722
8	Department of Revenue Multiplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	238,928	371,443
10	Plus: 10% of CWIP (intentionally excluded)	-	-
11	Less: Net Book Value of Licensed Vehicles	421	421
12	Full Cash Value (Line 9 + Line 10 - Line 11)	238,507	371,022
13	Assessment Ratio	20.0%	20.0%
14	Assessment Value (Line 12 * Line 13)	47,701	74,204
15	Composite Property Tax Rate - Obtained from ADOR	9.2262%	9.2262%
16	Test Year Adjusted Property Tax Expense (Line 14 * Line 15)	\$ 4,401	\$ 6,846
17	Tax on Parcels	-	-
18	Total Property Taxes (Line 16 + Line 17)	\$ 4,401	
19	Adjusted Test Year Property Taxes	\$ 4,476	
20	Adjustment to Test Year Property Taxes (Line 18 - Line 19)	\$ (75)	
21			
22	Property Tax on Company Recommended Revenue (Line 16 + Line 17)		\$ 6,846
23	Company Test Year Adjusted Property Tax Expense (Line 18)		\$ 4,401
24	Increase in Property Tax Due to Increase in Revenue Requirement		\$ 2,445
25			
26	Increase in Property Tax Due to Increase in Revenue Requirement (Line 24)		\$ 2,445
27	Increase in Revenue Requirement		\$ 198,773
28	Increase in Property Tax Per Dollar Increase in Revenue (Line 26 / Line 27)		1.23016%
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 3

Exhibit
Final Schedule C-2
Page 4
Witness: Bourassa

Rate Case Expense

Line
No.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

Estimated Rate Case Expense

\$ 50,000

Estimated Amortization Period in Years

5

Annual Rate Case Expense

\$ 10,000

Adjusted Test Year Rate Case Expense

\$ 10,000

Increase(decrease) Rate Case Expense

\$ -

Adjustment to Revenue and/or Expense

\$ -

Reference

Testimony

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 4

Exhibit
Schedule C-2
Page 5
Witness: Bourassa

Revenue Adjustment

Line
No.

1

2

Revenue Adjustment

\$ (1,820)

3

4

5

6

Total Revenue from Annualization

\$ (1,820)

7

8

9

Adjustment to Revenue and/or Expense

\$ (1,820)

10

11

Reference

12

Staff Adjustment # 1

13

14

15

16

17

18

19

20

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 5

Exhibit
Schedule C-2
Page 6
Witness: Bourassa

Water Testing

Line
No.

1		
2	Staff Recommended Water Testing Expense	\$ 14,527
3		
4	Adjuste Test Year Water Testing Expense	\$ 5,669
5		
6	Adjustment to purchased power expense (rounded)	<u>\$ 8,858</u>
7		
8		
9	Adjustment to Revenue and/or Expense	<u>8,858</u>
10		
11	<u>Reference</u>	
12	Staff Adjustment #3	
13		
14		
15		
16		
17		
18		
19		
20		

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 6

Exhibit
Schedule C-2
Page 7
Witness: Bourassa

Auto Expense

Line
No.

1

2

3

Test Year Auto Expense

\$ 1,500

4

5

Staff Recommended Auto Expense

3,250

6

7

Adjustment to Revenues

\$ (1,750)

8

9

10

Adjustment to Revenue and/or Expense

(1,750)

11

12

Reference

13

Staff Adjustment #3

14

15

16

17

18

19

20

21

22

23

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2001
Adjustment to Revenues and Expenses
Adjustment Number 7

Exhibit
Schedule C-2
Page 8
Witness: Bourassa

Telephone Expense

Line
No.

1

2

3

4

5

6

7

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9

10

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17

18

19

20

Staff Recommended Telephone Expense

Adjusted Test Year Telephone Expense

Adjustment to Revenues

Adjustment to Revenue and/or Expense

Reference

Staff Adjustment #4

\$ 2,366

4,732

\$ (2,366)

\$ (2,366)

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2001
Adjustment to Revenues and Expenses
Adjustment Number 8

Exhibit
Schedule C-2
Page 9
Witness: Bourassa

Purchased Power

Line
No.

1

2 Staff Recommended Adjustment to Purchased Power \$ (207)

3

4 Adjustment to Purchased Power (207)

5

6 Adjustment to Revenue and/or Expense \$ (207)

7

8 Reference

9 Staff Adjustment

10

11

12

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Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 9

Exhibit
Schedule C-2
Page 10
Witness: Bourassa

Rent Expense

Line

No.

1

2 Staff Recommended Adjustment to Rent Expense

\$ 3,484

3

4 Adjustment to Rent Expense

3,484

5

6 Adjustment to Revenue and/or Expense

\$ 3,484

7

8 Reference

9 Staff Adjustment

10

11

12

13

14

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20

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustment to Revenues and Expenses
Adjustment Number 10

Exhibit
Schedule C-2
Page 11
Witness: Bourassa

Misc Expense

Line
No.

1			
2	Staff Recommended Adjustment to Misc. Expense for Utility Expenses	\$	(7,145)
3			
4	Adjustment to Misc. Expense		(7,145)
5			
6	Adjustment to Revenue and/or Expense	\$	(7,145)
7			
8	<u>Reference</u>		
9	Staff Adjustment		
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Adjustment to Revenues and/or Expenses
Adjustment Number 11

Exhibit
Final Schedule C-2
Page 12
Witness: Bourassa

Line

No.

1 Income Taxes

2

3

4 Computed Income Tax

5 Test Year Income tax Expense

6 Adjustment to Income Tax Expense

7

8

9

10

11

12

13 SUPPORTING SCHEDULE

14 C-3, page 2

15

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**Test Year
at Present Rates**

\$ (13,954)

(13,545)

\$ (409)

**Test Year
at Proposed Rates**

\$ 17,013

(13,954)

\$ 30,967

Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012
Computation of Gross Revenue Conversion Factor

Exhibit
Final Schedule C-3
Page 1
Witness: Bourassa

Line		Percentage of Incremental Gross Revenues
No.	Description	
1	Combined Federal and State Effective Income Tax Rate	15.773%
2		
3	Property Taxes	<u>1.036%</u>
4		
5		
6	Total Tax Percentage	16.809%
7		
8	Operating Income % = 100% - Tax Percentage	83.191%
9		
10		
11		
12		
13	<u>1</u> = Gross Revenue Conversion Factor	
14	Operating Income %	1.2021
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25	<u>SUPPORTING SCHEDULES:</u>	<u>RECAP SCHEDULES:</u>
26	C-3, page 2	A-1
27		
28		
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Utility Source, LLC - Wastewater Division
Test Year Ended December 31, 2012

Exhibit
Final Schedule C-3
Page 2
Witness: Bourassa

GROSS REVENUE CONVERSION FACTOR

Line No.	Description	(A)	(B)	(C)	(D)	(E)	(F)
<u>Calculation of Gross Revenue Conversion Factor:</u>							
1	Revenue	100.0000%					
2	Uncollectible Factor (Line 11)	0.0000%					
3	Revenues (L1 - L2)	100.0000%					
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	16.8092%					
5	Subtotal (L3 - L4)	83.1908%					
6	Revenue Conversion Factor (L1 / L5)	1.202056					
<u>Calculation of Uncollectible Factor:</u>							
7	Unity	100.0000%					
8	Combined Federal and State Tax Rate (L17)	15.7731%					
9	One Minus Combined Income Tax Rate (L7 - L8)	84.2269%					
10	Uncollectible Rate	0.0000%					
11	Uncollectible Factor (L9 * L10)		0.0000%				
<u>Calculation of Effective Tax Rate:</u>							
12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%					
13	Arizona State Income Tax Rate	2.8074%					
14	Federal Taxable Income (L12 - L13)	97.1926%					
15	Applicable Federal Income Tax Rate (L55 Col F)	13.3402%					
16	Effective Federal Income Tax Rate (L14 x L15)	12.9657%					
17	Combined Federal and State Income Tax Rate (L13 + L16)		15.7731%				
<u>Calculation of Effective Property Tax Factor:</u>							
18	Unity	100.0000%					
19	Combined Federal and State Income Tax Rate (L17)	15.7731%					
20	One Minus Combined Income Tax Rate (L18-L19)	84.2269%					
21	Property Tax Factor	1.2302%					
22	Effective Property Tax Factor (L20*L21)		1.0361%				
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			16.8092%			
24	Required Operating Income	\$ 90,847					
25	Adjusted Test Year Operating Income (Loss)	\$ (74,514)					
26	Required Increase in Operating Income (L24 - L25)		\$ 165,361				
27	Income Taxes on Recommended Revenue (Col. (F), L52)	\$ 17,013					
28	Income Taxes on Test Year Revenue (Col. (C), L52)	\$ (13,954)					
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		\$ 30,967				
30	Recommended Revenue Requirement	\$ 318,237					
31	Uncollectible Rate (Line 10)	0.0000%					
32	Uncollectible Expense on Recommended Revenue (L24 * L25)	\$ -					
33	Adjusted Test Year Uncollectible Expense	\$ -					
34	Required Increase in Revenue to Provide for Uncollectible Exp.		\$ -				
35	Property Tax with Recommended Revenue	\$ 6,846					
36	Property Tax on Test Year Revenue	\$ 4,401					
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		\$ 2,445				
38	Total Required Increase in Revenue (L26 + L29 + L37)		\$ 198,773				

	(A)	(B)	(C)	(D)	(E)	(F)
<u>Calculation of Income Tax:</u>						
39	Total	Test Year	Wastewater	Total	Company Recommended	Wastewater
40	Revenue	\$ 119,464	\$ 119,464	\$ 318,237	\$ 318,237	\$ 318,237
41	Operating Expenses Excluding Income Taxes	207,932	207,932	210,378	210,378	210,378
42	Synchronized Interest (L47)	-	-	-	-	-
43	Arizona Taxable Income (L39 - L40 - L41)	\$ (88,469)	\$ (88,469)	\$ 107,860	\$ 107,860	\$ 107,860
44	Arizona State Effective Income Tax Rate (see work papers)	2.8074%	2.8074%	2.8074%	2.8074%	2.8074%
45	Arizona Income Tax (L42 x L43)	\$ (2,484)	\$ (2,484)	\$ 3,028	\$ 3,028	\$ 3,028
46	Federal Taxable Income (L42 - L44)	\$ (85,985)	\$ (85,985)	\$ 104,831	\$ 104,831	\$ 104,831
47	Federal Tax Rate	13.3402%	13.3402%	13.3402%	13.3402%	13.3402%
48	Federal Tax	\$ (11,471)	\$ (11,470.56)	\$ 13,985	\$ 13,985	\$ 13,985
49						
50						
51						
52						
53	Total Federal Income Tax	\$ (11,471)	\$ (11,471)	\$ 13,985	\$ 13,985	\$ 13,985
54	Combined Federal and State Income Tax (L35 + L42)	\$ (13,954)	\$ (13,954)	\$ 17,013	\$ 17,013	\$ 17,013
55	COMBINED Applicable Federal Income Tax Rate [Col. (D), L53 - Col. (A), L53] / [Col. (D), L45 - Col. (A), L45]			13.3402%		
56	WASTEWATER Applicable Federal Income Tax Rate [Col. (E), L53 - Col. (B), L53] / [Col. (E), L45 - Col. (B), L45]					
57	WATER Applicable Federal Income Tax Rate [Col. (F), L53 - Col. (C), L53] / [Col. (F), L45 - Col. (C), L45]					13.3402%

Calculation of Interest Synchronization:
58 Rate Base
59 Weighted Average Cost of Debt
60 Synchronized Interest (L59 X L60)

	Water	Wastewater
\$	1,575,194	\$ 825,880
	0.0000%	0.0000%
\$	-	\$ -

Utility Source. LLC - Wastewater Division
Test Year Ended December 31, 2012
Summary of Cost of Capital

Exhibit
Final Schedule D-1
Page 1
Witness: Bourassa

Consolidated Capital Structure

Actual End of Test Year

Projected Capital Structure

Line No.	Item of Capital	Dollar Amount	Percent of Total	Cost Rate	Weighted Cost	Dollar Amount	Percent of Total	Cost Rate	Weighted Cost
1	Long-Term Debt	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%
2									
3	Stockholder's Equity	3,722,209	100.00%	11.00%	11.00%	3,722,209	100.00%	11.00%	11.00%
4									
5	Totals	3,722,209	100.00%		11.00%	3,722,209	100.00%		11.00%

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SUPPORTING SCHEDULES:

D-1
D-3
D-4
E-1
Testimony

RECAP SCHEDULES:

A-3

Utility Source, LLC - Wastewater Division
Revenue Summary
Test Year Ended December 31, 2012

Exhibit
Final Schedule H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Classification	Total Revenues at Present Rates	Total Revenues at Proposed Rates	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	3/4 Inch	Residential	\$ 92,479	\$ 278,339	\$ 185,860	200.98%	77.41%	87.46%
2	3/4 Inch	Commercial	114	721	607	531.30%	0.10%	0.23%
3	2 Inch	Commercial	23,698	35,120	11,421	48.19%	19.84%	11.04%
4								
5								
6								
7								
8								
9	Subtotals of Revenues		\$ 116,291	\$ 314,179	\$ 197,888	170.17%	97.34%	98.72%
10	Revenue Annualizations:							
11	3/4 Inch	Residential	\$ 173	\$ 719	\$ 546	314.89%	0.15%	0.23%
12								
13								
14								
15								
16	Subtotal Revenue Annualization		173	719	546	314.89%	0.15%	0.60%
17								
18	Total Revenues w/ Annualization		\$ 116,465	\$ 314,899	\$ 198,434	170.38%	97.49%	98.95%
19	Misc Revenues, as adjusted		3,441	3,441	-	0.00%	2.88%	1.08%
20	Reconciling Amount		(442)	(103)	339	-76.70%	-0.37%	-0.03%
21	Total Revenues		\$ 119,464	\$ 318,237	\$ 198,773	166.39%	100.00%	100.00%
22								
23								

Exhibit
Final Schedule H-2
Page 1
Witness: Bourassa

[illegible]

Utility Source, LLC - Wastewater Division
 Analysis of Revenue by Detailed Class
 Test Year Ended December 31, 2012

Exhibit
 Final Schedule H-2
 Page 2
 Witness: Bourassa

Line No.	Customer Classification and/or Meter Size	(a) Average Number of Customers at 12/31/2012	Median Consumption	Median Bill		Proposed Increase		Percent of Customers
				Present Rates	Proposed Rates	Dollar Amount	Percent Amount	
1	3/4 Inch Residential	320	3,500	\$ 20.44	\$ 69.37	\$ 48.93	239.40%	98.77%
2	3/4 Inch Commercial	1	1,500	\$ 8.57	\$ 59.28	50.72	592.12%	0.31%
3	2 Inch Commercial	3	65,000	371.15	731.48	360.33	97.08%	0.93%
4								
5								
6								
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10								
11	Totals	<u>324</u>						<u>100.00%</u>
12								
13	Actual Year End Number							
14	of Customers:	<u>325</u>						
15								
16								
17								
18								

Utility Source, LLC - Wastewater Division
Present and Proposed Rates
Test Year Ended December 31, 2012

Exhibit
Final Schedule H-3
Page 1
Witness: Bourassa

Line No.	Customer Classification and Meter Size (Residential, Commercial)	Present Rates	Proposed Rates
1	Monthly Usage Charge for:		
2	5/8 x 3/4 Inch	\$ -	\$ 52.00
3	3/4 Inch	-	52.00
4	1 Inch	-	130.00
5	1 1/2 Inch	-	260.00
6	2 Inch	-	416.00
7	3 Inch	-	832.00
8	4 Inch	-	1,300.00
9	6 Inch	-	2,600.00
10			
11	Gallons In Minimum		
12	All Meter Sizes	-	-
13			
14	Rate per 1,000 Gallons of Water Usage		
15	Residential	\$ 5.84	\$ 4.96
16	Commercial and Industrial		
17	Car washes, laundromats, Commercial, Manufacturing	5.71	4.85
18	Hotels, Motels	7.66	6.51
19	Restaurants	9.46	8.04
20	Industrial Laundries	8.39	7.13
21	Waste haulers	171.20	145.52
22	Restuarant Grease	149.80	127.33
23	Treatment Plant Sludge	171.20	145.52
24	Mud Sump Waste	535.00	454.75
25			
26			
27			
28			
29			
30			

Utility Source, LLC - Wastewater Division
Present and Proposed Rates
Test Year Ended December 31, 2012

Exhibit
Final Schedule H-3
Page 3
Witness: Bourassa

Line
No.

1
2 Other Charges:

4		
5	Establishment	\$ 20.00
6	Establishment (After Hours)	\$ 40.00
7	Reconnection (Delinquent)	\$ 50.00
8	Reconnection (Delinquent and After hours)	\$ 40.00
9	Minimum Deposit Requirement	PER RULE
10	Deposit Interest	PER RULE
11	Re-establishment (Within 12 months)	PER RULE
12	NSF Check	\$ 20.00
13	Deferred Payment, per month	PER RULE
14	Late Charge	PER RULE
15	After hours service charge	\$ 40.00
16		
17		
18		
19		
20		

\$ 20.00
*Removed
\$ 50.00
*Removed
PER RULE
PER RULE
PER RULE
\$ 20.00
PER RULE
PER RULE
\$ 40.00

21
22
23
24 * After hours service charge will apply when service requested by customer after hours.